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1967

# THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

## FINANCE

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The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

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No. 1

*Second Proceedings on The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1968.

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WEDNESDAY, MAY 17th, 1967

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WITNESSES:

*National Gallery of Canada:* Dr. Jean S. Boggs, Director; E. J. Palmer, Chief, Administrative Services.

*Treasury Board:* J. G. Glashan, Director, Estimates and Supply Procedures Division.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1967

THE STANDING COMMITTEE

ON

FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable Senators:

Aird	Leonard
Aseltine	Macdonald ( <i>Brantford</i> )
Baird	MacKenzie
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	Méthot
Belisle	Molson
Benidickson	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax-North</i> )	Phillips
Croll	Pouliot
Denis	Power
Deschatelets	Quart
Dupuis	Rattenbury
Farris	Reid
Flynn	Roebuck
Gélinas	Savoie
Gershaw	Smith ( <i>Queens-Shelburne</i> )
Grosart	Thorvaldson
Haig	Vaillancourt
Hayden	Vien
Hays	Welch
Isnor	Yuzyk (47)
Kinley	

*Ex Officio members:* Brooks and Connolly (*Ottawa West*).

WITNESSES:

National Gallery of Canada: Dr. Jean S. Boggs, Director; E. J. Palmer,  
Chief, Administrative Services.  
Treasury Board: J. G. Glasgow, Director, Estimates and Supply Pro-  
cedure Division.



MINUTES ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Seantor Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

J. F. MacNEILL,  
Clerk of the Senate.

The following witnesses were heard:

National Gallery of Canada:

Dr. Jean S. Boies, Director

E. J. Palmer, Chief Administrative Services

Treasury Board:

J. G. Gladue, Director, Estimates and Agency Performance Division

The Chairman thanked the witnesses for their assistance and for the information supplied to it.

At 11:30 a.m. the Committee adjourned to the next day.

Attest:

J. F. MacNeill,

Clerk of the Senate.



## MINUTES OF PROCEEDINGS

WEDNESDAY, May 17th, 1967.

Pursuant to adjournment and notice the Standing Committee of Finance met this day at 9.30 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Baird, Beaubien (*Provencher*), Benidickson, Gershaw, Haig, Hays, Isnor, Kinley, Leonard, Méthot, Molson, Pouliot, Quart, Rattenbury and Smith (*Queens-Shelburne*). (16)

*Present, but not of the Committee:* The Honourable Senators Cameron, Cook, Fournier (*Madawaska-Restigouche*), Gouin, Inman, Irvine, McDonald, Macnaughton and White. (9)

On motion of the Honourable Senator Molson it was *Resolved* that the Committee print 800 copies in English and 300 copies in French of its day to day proceedings.

The Estimates for the fiscal year ending March 31st, 1968, were further considered with particular reference to those of the National Gallery of Canada.

The following witnesses were heard:

*National Gallery of Canada:*

Dr. Jean S. Boggs, Director.

E. J. Palmer, Chief, Administrative Services.

*Treasury Board:*

J. G. Glashan, Director, Estimates and Supply Procedures Division.

The Chairman thanked the witnesses on behalf of the Committee for the information supplied to it.

At 11.00 a.m. the Committee adjourned to the call of the Chairman.

Attest.

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE

### STANDING COMMITTEE ON FINANCE

### EVIDENCE

Ottawa, Wednesday, May 17, 1967.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1968, met this day at 9.30 a.m.

**Senator Jean-Paul Deschatelets (Chairman)** in the Chair.

**The Chairman:** Honourable senators, as the Standing Committee on Finance is meeting for the first time with a new chairman, I am sure you will join me in expressing to our distinguished colleague, the former chairman of this committee, Senator T. D'Arcy Leonard, our thanks and appreciation for the splendid work he has done as chairman.

**Hon. Senators:** Hear, hear.

**The Chairman:** As far as I am concerned, I will do my best, and let us hope it will be enough.

The main Estimates for the fiscal year ending 31st March 1968 have been referred to us for study. The business for the meeting today is the consideration of the specific sector of the main Estimates dealing with the National Gallery of Canada.

You have before you, I hope, extracts from the Blue Book of Estimates, showing particulars of the votes for the National Gallery of Canada. You will note that the estimated expenditures for the current year amount to \$2,571,000. In the last fiscal year, the comparable figure was \$1,899,200, representing an increase of \$671,800.

Honourable senators, it is a sincere pleasure for me to introduce as witnesses today Dr. Jean S. Boggs, Director of the National Gallery of Canada, on my immediate right, and Mr. E. J. Palmer, Administrative Officer. On your behalf, I welcome them here.

I am sure honourable senators will be grateful to the Director of the National Gallery, who has had to cancel a previous engagement in order to attend this meeting this morning.

I might add that Mr. J. G. Glashan, Director, Estimates and Supply Procedures, Treasury Board, will be with us within half an hour to deal with questions which might arise beyond the scope of the specific sector we have to examine.

It is my intention to call immediately upon Miss Boggs, a very able and popular Director of the National Art Gallery of Canada. I suggest that we proceed in the usual way by asking her to make a general statement and then opening the meeting to questions. Is this agreeable to honourable senators?

**Some hon. Senators:** Agreed.

**The Chairman:** Dr. Boggs, would you please proceed with your statement.

**Dr. Jean S. Boggs, Director, National Gallery of Canada:** Honourable senators, the National Gallery of Canada is a national institution. Therefore, it is as responsible to the people in Vancouver, Fredericton or Trois-Rivières as it is to the people of Ottawa. A great deal of the program is devoted to making it a national institution, to sending exhibitions and lecturers throughout the country. We hope to do more with radio and television and to reach more people than is possible with our exhibitions.

Even if we are involved in such a national program it is Ottawa which provides the nucleus for all our activities. The National Gallery would not exist or be able to perform effectively if there were not a collection. That collection is the most significant and most important aspect of the National Gallery and an important national resource. It is some-



thing, after all, which we have inherited in many cases from the past and which we will give to the future. It is perhaps our greatest responsibility. Because of the collection we are able to borrow works of art for exhibitions to send throughout the country. It is out of the collection that we can send paintings to Halifax, where I was 10 days ago, or to Winnipeg, where I was on Sunday.

Since I believe that art is a very important part of life and is intimately related to it—a way of understanding life more completely—I think this is a very significant part of Canadian life and a Canadian heritage.

I know some of you want to ask questions about the collection—additions which have been made to it, and so on; so I think rather than anticipate what your questions will be in this short discourse, I would prefer to answer your questions directly, if that is satisfactory.

**The Chairman:** That is fine. Are there any questions? Senator Fournier?

**Senator Fournier (Madawaska-Restigouche):** I do not know about asking questions, because it looks as if I am “in the soup” this morning. Nevertheless, I would like somebody to define modern art for me so that I, as a layman, can understand it. I am referring to what last week I called junk, and I did so on several occasions. Incidentally, I do not confine my remarks to the gallery in Ottawa; believe me, I feel that this type of so-called art is to be found right across Canada. It is being created by a certain group of people doing a certain type of work which, to my mind, means absolutely nothing. That is only my opinion, but to me this so-called art it is useless, worthless and meaningless.

**The Chairman:** Excuse me, Senator Fournier, but are you referring to sculptures or paintings or both?

**Senator Fournier (Madawaska-Restigouche):** Both. I will give you a few examples that I saw lately. Last Thursday I was travelling to Montreal in the car when I heard on a radio broadcast somebody being interviewed at Expo '67. Apparently some sculptures were being done in a field at Expo by so-called modern artists. I decided then that on Saturday I would look into this and I went to that area of Expo to see what was being done. I discovered five or six very poorly dressed young men. In fact, although I hate to use

the word, I would go so far as to say they were very dirty. They had long whiskers and needed haircuts very badly. They were certainly not a credit to the Canadian people.

During the radio interview I heard mention made of the difficulties of getting materials and getting assistance. After I actually saw what they were doing, I could readily understand their difficulties in getting assistance. They had a bunch of old telephone poles cut in two. They had a pile of stones, a few pieces of wood and several piles of scrap—possibly a truckload. They had a welding torch which, incidentally, I was most anxious to see how they would operate. After walking around for about half an hour they decided they would use the torch. They were talking together and finally it took them about 20 minutes to light the torch. It was very easy for me to see that they had no experience at how to use this equipment, because they had too much oxygen and it kept blowing the flame away. At any rate, with some help, they finally got the torch lighted.

Now, these boys were designing something, but I could not say what it was. They had a few pieces of metal which they had started to weld together, and obviously they were building something, but they had no tools other than the torch. One chap was holding the material at one end and another was holding it in another place, and the whole thing was crooked and did not mean anything to me at all. I do not know what they were building. It was certainly nothing to be seen at Expo.

However, I have nothing against that at all. That is their privilege. They can dress the way they want to and do the things they want to do. My objection is not directed to that aspect of the question at all, and if you read what I have said about these matters you will see that I am consistent on this point. But if we are going to spend Canadian taxpayers' money to promote this sort of “modern art”, then I object to that. I cannot understand public funds being used for that purpose, even if the galleries rate these things as tops in Canada, because to me they are meaningless and so far as I am concerned there is something wrong somewhere.

I also saw at the Canadian pavilion a fence made of old pieces of steel cut out of cement structures and welded together. Again this is supposed to be modern art. The welding is a disgrace to the profession, and I must say



that because I know something about welding since it is my trade.

That fence does not mean anything. It has been rusting for some time now and has not been treated in any way, shape or form, and I am sure that at least some design could have been made out of these pieces of metal, showing something more than just one piece welded after the other. It is likely that many millions of people will see this fence; I am sure they will be just as disappointed with it as I was, and on that point I have already talked to many people who were disappointed with it. This is just one of the things I want to point out that I do not go along with.

In the gallery itself I was critical of certain things that had been exposed there for a month. There were pieces of metal which were painted all kinds of colours, red and so on, and which were fixed at certain angles. I looked over the material to see what the workmanship was like. It was very poorly done, and I would assume that people who look at these things at least want to find some quality in the workmanship.

We may not understand what the artist has in mind. I would agree with that. Perhaps he is a dreamer of some kind. But at least I would appreciate seeing some perspective in the workmanship, because it involves sheet metal and riveting and all these things on which we spend fortunes in order to train our people so that they can do better work. Now, I understand that this has been taken to Paris. This is where I saw these dots on the piece of paper which were in the glass case. I don't know why they were so precious. You have probably seen them as well as I did—two dots on a piece of paper. These may express the artist's opinion. I have nothing against that, but I believe that somebody has tried to tell us that this is great art—something that is extraordinary.

Now, this goes on and goes on. This piece of metal that I referred to is going to be shipped to Paris. This is going to represent Canadian artists. It is going to take a long lecture to sell me on this. Surely we have something better than this in Canada. Surely we should not send this stuff abroad.

Last year in the gallery in Ottawa there was a display consisting of pieces of scrap metal, mostly from stainless steel, and thousands of old welding rods welded together at all kinds of angles. I don't know what the fellow was trying to reproduce. Was it one of

those things that you send up in the air, an Earlybird satellite or something like that? Well, that is all right up to a certain point, but surely he could have spent a little more time and polished the thing up to make it more suitable for this gallery, for which I have a lot of compliments as far as neatness, discipline and the building itself is concerned. I am proud of it. That was there for a long time.

To me there was no art and no attempted art in this; it was just as if the fellow had started to build something without knowing what he was doing. Again in the art gallery on the wall on the right-hand side as you go in there was a life-size picture. I think it has been taken down now but I understand it was painted by a modern artist and was painted very roughly back and forth. It must have been very precious, because it was there for a year.

As I say, I understand it has been removed. But in my opinion there was no art in it. You may not agree with me, and I hope you don't. There was no art in it, no expression, no method and no planning, and many of us could sit here and paint this modern art on the wall which would be just as good as what we saw there. However, I will leave it at that because I do not want to say too much.

However, since I made the statement I have received a lot of mail; perhaps I have received too much. I have here a few of the letters which I have received, and I must say much of it is very complimentary. They were written by people like myself who were rather worried about this sort of thing. One I have here impresses me very much indeed, and while I would like to keep the names secret because I feel that this mail is personal, nevertheless I would like to quote from some of it. I have one here from a doctor, an artist and an art critic. He is a connoisseur and he has something to say here which impresses me greatly. He is not just an average layman like me; he is a man learned in the field of art. It would take too long to read all that he has to say but there are parts of it to which I should draw your attention. You will bear with me if I have difficulty with some of these words; even in French I might have some difficulty.

Today's so-called "modern art" is a pathological phenomenon covering a multitude of sins against reason, morality, truth, beauty, aesthetical values and



Christian civilization. It generates in the sick minds of psychotic malcontents, dangerous nihilists-anarchists, LSD addicts whose aim is to break down morals, speed internal disintegration and destroy the national spirit and faith in traditional culture. Very few people in North America are aware of the fact, that decades ago the Soviet-Communist party apparatus issued directives in order to subvert this Hemisphere culturally by imposing anarchistic art upon it and it is indeed such deterioration of the human mind, which leads to the mentality of which the police state consists and Communism flourishes.

Then I skip a few lines.

By destroying art standards we break down morals, speed internal disintegration...the ugly and aberrant in art, literature, music, has to be cultivated. Crude modernism and degenerate perversion has to be practiced, every sick brained fanatic must be used... every talented artist must be discredited. Set one against the other by slander... we must break their hearts and destroy them. Keep rational art out of public galleries, allow only empty or distorted art to be shown. Eliminate all good sculptures from parks, public buildings, substitute shapeless, awkward and abhorrent forms. Tie junk together and set it up as sculpture in a new style.

Then I skip a line.

Control all juries of selection... never shut out the regulars entirely. Give the prizes to the worst, most hideous, worthless art in the show.

Then I skip a paragraph—

Authorities are afraid to touch art problems—they leave it alone—which gives us carte blanche.

And the last line before I close—

... Canadians have a right to enjoy the visual world around them without being exposed to savage and cruel monstrosities, hallucinations of sick brains.

The Canadian public certainly will react sooner or later against such pictorial debris, which is constantly being thrown in its face in the disguise of roses.

This has been written by a person whom I assume to be an art critic. It seems to make

some revelations. The writer does not seem to be too happy with modern art. You can read that between the lines.

You may have read of the case in Fredericton the other day when Mr. Andrews, the Curator, was fired within an hour because he wasn't happy with some of the art placed in the Lord Beaverbrook Gallery. There was an uproar in the area because this man was fired, because a large proportion of the province agreed that he was right.

I assume there is a place for everybody and a place for everything. I appreciate that in our society we are free to do what we like to a certain extent, but if we have to spend money for this sort of thing we should think twice.

I want to come back to this piece of material that is going to Paris. I was in your art gallery on opening night. You will remember that the room was full. I do not know if you saw the type of audience you had that night. These were the sort of people you see sitting around on benches, long-whiskered and barefooted. This is the quality of the people you had there. I had difficulty walking through the crowd, but I wanted to listen to what they were saying and what they were talking about. They were not interested in the art; they were talking about something else. They were indeed in the Pepsi generation, and they could not care less what was on display. That was my opinion.

We have this situation in Canada. We have this group of people who are not prepared to accept our way of life. They are not prepared to accept our democracy, because for democracy to succeed you have to put something into it. There are some obligations that go along with it. These people want to live their lives the way they see fit. They have no respect for law and authority; they have no respect for you and me or the rest of the world. I do not think we should encourage these people too much when they come out with some creation on which they believe we should spend good money.

I am going to give you one more example of one thing that was exposed, not in Ottawa. I did not see this, but I take it to be an accurate report because the people who told me would not make up a story. Sometime last year there was a piece of material exposed in one of our art galleries. The creator took five or six earth worms, dipped them into paint, set them on a piece of paper and let them



take their own course, and the result was exposed in an art gallery as being a masterpiece of creation. Surely, we have not reached that stage? I hope someone can say it is not true.

These dots in the art galleries, personally I cannot see anything in that sort of thing. Maybe the artist had some opinion of his own, and that is all right. I cannot disagree with that.

When you go into the art gallery, on the second floor you can see art and paintings which are worth something. You can stand back and admire such works, there is something in it that is appealing. But when you see these meaningless pieces of junk and new art going all across Canada and all over the world—old car parts welded and tacked together, old bottle tops and beer cans—when you have these great big displays being shown at our international airports across Canada costing thousands and thousands of dollars and being shown as modern art, there is something wrong with us somewhere.

This is all I have to say, and I appreciate your listening to me so kindly, while you may not all agree with me.

**The Chairman:** Thank you, Senator Fournier, for I think you are the one who initiated this discussion.

There is no doubt that Dr. Boggs would like to comment on this, and at the end of her comments it might be a good idea for her to tell us the portion, if any, of the budget of the National Gallery which is used for the acquisition of these modern paintings or sculptures as described by Senator Fournier.

**Dr. Boggs:** Well, first of all, Senator Fournier asked for a description or definition of "modern" in art. This is the most difficult of all things to define because it varies from generation to generation. What is modern is always what is contemporary. At one point Michelangelo's "David" was modern, and it was stoned as it was put up in front of the Palazzo Vecchio, the city hall in Florence; it shocked everyone's sensibilities and they were disturbed by it. So, this gap between the creative thing and the general public's comprehension of it is longstanding.

The first director of the National Gallery spent a great deal of time before the House of Commons and before the Senate defending the Group of Seven. Criticism was directed against Eric Brown because he bought what

are now considered some of the greatest works in the National Gallery, painted by Tom Thomson, Jackson and Lismer in 1917 and 1918. This is not the only justification of "modern art" but one has to accept the fact that there is apt to be this gap in our understanding of contemporary work. However, this does not mean that all contemporary work is good; a lot is bad. There was bad painting and sculpture in the seventeenth century, and there is bad painting and sculpture now.

We hope we manage to buy and acquire some of the best of what is being produced for the National Gallery, but we occasionally make mistakes. I hope we do as well now as Eric Brown did in 1918 in buying Canadian art. But there is no magic formula one can use to be certain of doing so; one just tries to buy wisely when one can.

You brought up Expo, and I wondered if you went into the pavilion which is the National Gallery's at Expo, the Art Gallery, not the one in the Canadian pavilion.

**Senator Fournier (Madawaska-Restigouche):** I have not been in to it yet.

**Dr. Boggs:** You should go, because that is a very important achievement in bringing together the art of all people, from all time, from all over the world. Anyone who goes in will be very much impressed by it. You will see twelfth century sculpture from France, a fifth century B.C. Greek nude from the British Museum, and beautiful things from Japan. This is another extension of the National Gallery's activities. On the other hand, we are not responsible for the paintings or sculpture within the Canadian pavilion.

To get back to what was referred to as the badly welded pieces of sculpture; they are by a man called Henry Saxe. It was a special exhibition and we do not own any of them, and no taxpayers' money was spent to acquire anything in that exhibition. On the other hand, it is going to Paris for a very special exhibition—a Biennial—which is devoted to the creative work of artists under thirty-five years of age. The emphasis is on youth in that exhibition, and the organizer of that exhibition, Jacques Lassaigne from Paris, has seen the Canadian entries and has approved those works for the Biennial in Paris. I can assure you they will be very consistent with the character of other things



you will find in this Biennial if you go to Paris in September.

The problem you bring up of workmanship is an interesting one, because I do not know whether you realize it, but Canadian sculpture has been going through a very bad or indifferent period. It is just at the moment becoming revived and there is a good deal going on in contemporary sculpture. I think it is possible the craftsmanship is not as refined yet as it later may be, and the artists have had very little or no experience working in their media and have not had an opportunity to study them in the art schools. On the other hand, it is part of our interest to encourage the young and the development of such skills and crafts in this country.

I am sorry you find the National Gallery turned upside down so often. This is because we have such a serious limitation in space. We cannot exhibit things all the time. The large painting to which you objected, was it by Jacques Hurtubise?

**Senator Rattenbury:** It was the big Riopelle.

**Dr. Boggs:** Riopelle is internationally known as one of the most remarkable painters working today, and is probably the only contemporary Canadian painter one could mention anywhere in the world that would be known. Whether you like it or not, it would be terrible if we had an artist in Canada as well recognized as Riopelle and we were not prepared to accept his works in the National Gallery and we did not have what we hoped were the best of his works.

**The Chairman:** This could be said about Borduas.

**Dr. Boggs:** Yes, we have a beautiful Borduas hanging opposite Riopelle.

**Senator Fournier (Madawaska-Restigouche):** This is a top Canadian artist. How do you get to the top by painting such monsters? He must have done something before that would appeal to average people, and something you like to go and stand before and look at and it tells you a story. He must have done some of that before, while he was a painter, before he was sick.

**Dr. Boggs:** No, he has not.

**Senator Macnaughton:** Mr. Chairman, I suppose whether you like a particular picture

or not is such a personal thing that we could talk about it for the next ten years and still reach no conclusion. I should like to say as a beginning that I and my foreign friends—and we have many coming over to visit us at Montreal—appreciate very much the art gallery. It is so outstanding that it alone is well worth a visit to Expo. That is not my opinion only, but that of *Time* and other experts who appreciate these things.

As for modern art, I disagree with my honourable friend because I am a small collector of Picasso and Hans Hoffman, and a few others. But, I wonder, Mr. Chairman, if we could proceed in a logical manner and deal with the Estimates as we have them before us.

**The Chairman:** I am in the hands of the committee. That might be the most orderly way of proceeding, but I think, Senator Macnaughton, since this matter was raised in the Senate by Senator Fournier, that it is a good thing to air it right at the beginning.

**Senator Macnaughton:** It is a most interesting introduction.

**The Chairman:** Yes.

**Senator Smith (Queens-Shelburne):** I wonder if we could go back to what Senator Fournier said for a few moments. I would like to hear Dr. Boggs say something about the collection of dots that displeased Senator Fournier.

**The Chairman:** Is it agreed that we discuss first Senator Fournier's exposé, after which we can go back to the items in the Estimates?

**Hon. Senators:** Agreed.

**Dr. Boggs:** Yes, these were a series of prints with dots on them. A dot is a symbol which can have real importance in the same way that a square does, or, in the terms of this committee, just as a plus or minus do. A dot can represent certain things, such as cellular structure. A dot can suggest growth. It can suggest space. It can suggest movement. It depends upon the relationship of one dot to another and upon their scale. The possibilities are very great within this very limited framework, but by using them the artist is choosing to confine himself very much.

**Senator Rattenbury:** I must admit that I disagree often with Senator Fournier



(Madawaska-Restigouche) but on this occasion I have to agree with his remarks with respect to sculpture. I agree with him wholeheartedly. I must admit that when I went into the Canadian Pavillion on my visit to Expo and saw the iron fence I thought we were being exposed again to the work of a bunch of Toronto 'kooks', but as I went on through I began to think differently. I have been assured that Canada has a good exhibit. I do not particularly like the so-called modern art. Let us take Riopelle—well, I stood there and looked at his painting, and after hearing Dr. Bogg's remarks I think it is interesting. I have found through my lifetime that some of the artists have changed their style to conform to modern art. Is this not so, Dr. Boggs?

**Dr. Boggs:** I think there are artists who follow.

**Senator Rattenbury:** One artist that I can recall from my own province is Jack Humphrey who recently passed away. His style changed radically over the years; is that not right?

**Dr. Boggs:** That is right, yes.

**Senator Rattenbury:** To some extent I think this is because of the different age groups. The youth of today like a different form of music from that which I like. However, there is one question that rather intrigues me, and an answer to it might prevent a lot of questions being put by a tight-fisted Finance Committee. It is: Has any valuation been made of the purchases of the National Gallery? Has there been an appreciation in the intrinsic value of our purchases?

**Dr. Boggs:** Are you asking whether we have called in an outside firm to make such an evaluation?

**Senator Rattenbury:** Yes.

**Dr. Boggs:** No, but we have some idea ourselves. I have tried myself to make some valuation of it. I was at Expo in Montreal yesterday where our curator of prints and drawings is Director of the art gallery with this committee in mind. I asked her how much was paid for the Raphael drawing in our collection, which was bought in 1939. She said it was purchased for 250 pounds, and that the last time it was on loan she was advised to insure it for 25,000 pounds.

A great many things bought in the past have increased enormously in value. I have been asked frequently about the price paid for the Rembrandt *Tribute Money*—whether that was the most we have ever paid for a picture. I think it is the most we have paid for a single work.

**Senator Rattenbury:** This is the recent Rembrandt?

**Dr. Boggs:** Yes, but there are many works in the collection which are worth more than that Rembrandt, but for which less money was paid.

**Senator Rattenbury:** The works of the Group of Seven?

**Dr. Boggs:** Yes, or the Piero di Cosimo which is one of the paintings at Expo. It was bought before the war, and it would be worth an enormous amount of money now. If it were on the market it would be worth at least \$1 million. There are many works of that kind in the collection. Works bought since the war—for instance, the Liechtenstein pictures which were considered very expensive have increased enormously in value since the time of purchase.

**Senator Rattenbury:** Thank you.

**Senator Hays:** My question relates to the statement. I notice your expenses have increased by something like \$671,000. Do you treat this as purchase expense, or do you capitalize it?

**Dr. Boggs:** It comes out of—

**Senator Hays:** Everything comes out of expenses?

**Dr. Boggs:** Yes, that is right.

**Senator Hays:** If my arithmetic is correct you spent in the year something like 11 cents per capita of population, which is not a very great deal in so far as expenditure on the arts is concerned. Have you compared this with the amount spent in other countries? Have you looked at what is being spent in the United States, for instance? If you have I would ask you how much we should be spending in Canada on the National Art Gallery. How do we determine whether we are spending a proper amount?

**Dr. Boggs:** First of all, it is difficult to make an absolute comparison. In the United



States, where the situation is similar in some respects, the National Gallery of Art in Washington is largely privately supported. They have many private donors for tax reasons. We do not have the same kind of tax situation here so we are never going to have a comparable kind of support for our collection in this country. We cannot compare it to that.

The National Gallery in London is based upon great collections which have found their way into this institution. It does not acquire contemporary work; nor does it support a circulating program like ours. Nevertheless, with a great collection already, it has had more money to spend on works of art each year than we have had.

**Senator Hays:** Per capita?

**Dr. Boggs:** I do not know about per capita.

**Senator Hays:** We have a population of 20 million people. Let us take the city of New York which has a population of 11 million people. What does it spend on its art gallery?

**Dr. Boggs:** I am sorry, but I do not have those figures, but I can produce them for you.

**The Chairman:** Perhaps you could produce them later on.

**Dr. Boggs:** The Metropolitan has something like \$3 million a year for acquisitions as against our \$750,000.

**Senator Hays:** But you come up with this figure in your Estimates, and this is your budget. What was your thinking when you worked with the Department in putting this Estimate together?

**The Chairman:** Do you mean that this is the increase over last year?

**Senator Hays:** Yes.

**Dr. Boggs:** \$250,000 of that is for the acquisition of works of art. The rest is for developing the program. A large part of it is the cost of the Centennial year program—the exhibitions we are putting on in various places.

**Senator Hays:** So next year this budget will be substantially reduced?

**Dr. Boggs:** No, it will not, because this is setting a precedent. We have to continue to grow. On June 1st I will have been at the National Gallery for a year. I realize what

the possibilities are, and how much we really have to do in order to reach people in the other parts of the country. What we call an extension program has to be developed.

**Senator Hays:** You were in Winnipeg and had an art display there. How much money did you spend on that particular exercise?

**Dr. Boggs:** That was actually an exhibition sponsored by the Centennial Commission. I represented the minister there. We lent to that exhibition, but it cost our budget nothing. We do send other exhibitions to Winnipeg.

**Senator Hays:** Do you ever relate the audience participation to the expense?

**Dr. Boggs:** Yes.

**Senator Hays:** You do this?

**Dr. Boggs:** Yes.

**Senator Hays:** I would like to obtain some of this information. These are the questions I have in relation to expenditures and in regard to audience participation, as to what it is costing us to do this.

**The Chairman:** This would be very interesting information to have and I am sure Dr. Boggs will produce this information for us.

**Senator Leonard:** I should like to compliment Dr. Boggs and the gallery on the acquisition of the Rembrandt.

**The Chairman:** Hear, hear.

**Senator Leonard:** I do not know how you were able to get it at the price. I am inclined to think that, in regard to your expenditures, if someone came along and tried to buy it from you they would have to pay considerably more than you bought it for. That is a point I want to make. In the case of these expenditures you are really making an investment. Over the years, one would hope that the items bought by these expenditures might increase in value, so that we would have not only the cultural and aesthetic values but would also have the realization that the money was spent on something representing a real asset to the country.

In regard to the Estimates, you have two different accounts. One is an operating account, under section 8 of the National Gallery Act. The other is a purchase account.



**Dr. Boggs:** Yes.

**Senator Leonard:** Both of those accounts are in the Consolidated Revenue Fund. Your purchase account is the account you use for purchasing these paintings. Last year you had \$500,000 in that purchasing account but this year you have \$750,000. The trend is in the right direction, for the purchase of paintings.

The rest of your items are the usual ones for overhead and for the operation of the gallery and all the exhibitions and other work you do in connection with that.

I assume that in your purchase account you do not have to spend the \$500,000 or \$750,000 in one year, that it is a fund which you can draw upon when you see a painting you wish to buy?

**Dr. Boggs:** Yes.

**Senator Leonard:** What we really should do is try to build that fund up, so that you will have moneys available to purchase something when it comes along and when it would be a desirable thing to have. I am inclined to support what has been done since the war, in buying from the Liechtenstein collection, which is now so valuable. I hope you will never sell it. If you did have to sell it, its value would be far greater than we had expected for it?

**Dr. Boggs:** Yes.

**Senator Gouin:** Mr. Chairman, I am not an artist and I am not an art expert, but I want to say a few words. I will be brief, as I have to attend another meeting. I have a few questions to put before this committee.

Is it not a fact that there has been a revolution in art, a deep revolution, not only in this country but in all other countries.

I do not say that it is a revolution for the better. We see that a very large number of artists, some of whom are now enjoying the greatest prestige. That is not only on the North American continent but in Hungary, Czechoslovakia, in England and in France. Instead of trying to express beauty, as did the Old Masters, in a material form which we would consider eternal, these newer artists are expressing the ideas of our time of the younger generation, of these "angry young men". In this way the so-called modern art is a reflection of the troubled period through which we are passing.

Frankly, I do not understand modern art. I would be inclined to put it in what we could call in a gallery the department of the horrors. But the young children and even grandchildren like these artists. I believe younger generations have the right to be represented. The older and the younger generations now do not understand each other on certain matters, in particular, in art. We do not speak the same language, we do not see things in the same way. We must make an effort to understand them. In a democracy, we have the fundamental right to difference of opinion.

We have to welcome to our national gallery those specimens of modern art which are really representative. By the way, there is a market for them, a demand for this kind of art, high prices are asked and they are paid.

We have conditions now under which the National Gallery, if I understand it correctly, as an art gallery, must be representative of all schools. There must be a certain number of paintings showing the culture of different centuries, not only of different schools but of different countries.

Once upon a time, I was teaching economic doctrine, and once I was told that I was teaching economic heresy. That is perfectly true, but if you want to teach economic doctrine, you have to teach the economic doctrine of communism and explain it and show the difference between communism and free trade.

I see the art gallery in the same light. We have there the history of the artistic effort of the past generations and we also must have that of the present generation.

**Senator Fournier (Madawaska-Restigouche):** Mr. Chairman, before I leave the committee meeting, may I have an opportunity to thank Dr. Boggs very kindly for being here today. I wish to give Dr. Boggs an extract of what I said and it will be found that I was very complimentary to the gallery for doing a tremendous job, though I did point out the things I did not like.

**Senator Macnaughton:** Mr. Chairman, I would like to commend the witness on her statement of present and future program for developing art across Canada. In Montreal, thanks to the generosity and foresightedness of a certain group of wealthy people, we have the Montreal Museum of Art. For many years it has been the great repository of good



paintings. Recently, it has become almost the people's museum. I understand it is quite ordinary to have 5,000 to 10,000 visitors there over the weekend, at the Montreal Museum.

I have noticed the same sort of thing in Ontario, and also at the Beaverbrook museum in Fredericton, New Brunswick. May I ask, Madame Director, what is covered under "Professional and Special Services"? What are the professional services?

**Dr. Boggs:** It covers the contract by which we hire the security guards in the gallery. That is one thing. It covers our publication program. It covers the production of the books and the designing of them; special contracts to special people who help us arrange exhibitions; contracts to special conservation people who are brought in when we cannot handle the conservation program ourselves. It covers the special secretarial services which are needed for our liaison across Canada.

**Senator Macnaughton:** Under travelling expenses there is a slight increase, I suppose.

**Dr. Boggs:** Yes, and that will go up in other years, because we have to travel constantly in order to get the kind of works of art we need. We also have to send staff across this country because that is a very important part of our extension program.

**Senator Macnaughton:** Under administration, operation and maintenance, on page 336, there is for exhibitions, advertising, films and displays, an increase of \$201,000.

**Dr. Boggs:** A large part of that is for exhibitions. Thirty thousand dollars of that is for a special project to make coloured slides of the Canadian works in our present exhibition "300 Years of Canadian Art". One great difficulty in Canada is that there is no material available for teaching the history of Canadian art in high schools or universities. Therefore the \$30,000 is a gesture towards making this material available. Also, the cost of exhibitions is very high this year, as one might expect with centennial projects.

**Senator Macnaughton:** In the same way the National Film Board has been most co-operative with the other house, the House of Commons, in making slides and films for schools, demonstrating what the political system of the country is. These slides and films

can be had free in any high school or public school.

Now, the grant to the Royal Canadian Academy of Arts is increased by \$3,000. What, in a nutshell, does the Royal Canadian Academy of Arts do?

**Dr. Boggs:** It is an academy to which members are invited to belong. They have annual exhibitions which are open to artists across Canada. This grant is really an historically appropriate one, because the National Gallery developed out of the Royal Canadian Academy of Arts, and for that reason we feel that it is appropriate to support it.

**Senator Macnaughton:** It is sympathetic support, in other words?

**Dr. Boggs:** This is the basis of it. It is not that we think it is more commendable than any other art group in Canada, but traditionally we are allied to it.

**Senator Macnaughton:** Grants, scholarships, bursaries and prizes approved by the Treasury Board to promote interest in the fine and applied arts. There is an increase there of \$12,100.

**Dr. Boggs:** That is our museum training program. We have museum trainees, which again are necessary because there is no real place for museum personnel to be trained in Canada. We have let this program lapse for three years, but we are reviving it again.

**The Chairman:** I may add that this is approved by the Treasury Board.

**Dr. Boggs:** Oh, yes, yes.

**Senator Macnaughton:** Travelling expenses, other than staff. There is a \$2,000 increase there.

**Dr. Boggs:** This would be people under contract to us, I assume. Mr. Palmer has just pointed out to me that one reason for this increase is that we bring directors of other Canadian museums to Ottawa for a special meeting once a year.

**Senator Macnaughton:** There is an item of \$750,000, as opposed to \$500,000, for the purpose of acquiring works of art. What is that for? You have explained part of it as the standard grant.



**Dr. Boggs:** It is a standard grant by which we make our acquisitions. Would you care to have that broken down?

**The Chairman:** I think it would be interesting to have the breakdown.

**Dr. Boggs:** This is in a sense theoretical, but we spend each year \$100,000 on Canadian art. That is not just for contemporary but for earlier art as well. This year, in addition to that, we are spending an extra \$50,000 on sculpture in Canada to encourage sculpture here.

**The Chairman:** This is Canadian art, too, to which you are referring.

**Dr. Boggs:** Yes, this is Canadian art.

**Senator Macnaughton:** It is not all modern, then?

**Dr. Boggs:** The sculpture is.

**Senator Macnaughton:** It is not necessarily modern, though.

**Dr. Boggs:** No, not necessarily modern. My guess is that probably we will spend \$100,000 on modern art, though, in Canada. European art is \$400,000. The figure for drawings and prints will sound enormous, but it is \$165,000. We have a very distinguished curator of drawings and prints, Miss Kathleen Fenwick, who is retiring next year. She has worked for many years with very little money at her disposal, but despite that she has brought real distinction to the gallery, and we want to give her a generous budget before she retires.

We are also putting money aside for photography. It is now \$7,000. It was \$5,000 originally. This is for the purchase of works of photographic art. We have put \$25,000 aside for the purchase of American art. This is the first time in the history of the gallery that an effort has been made to acquire works of art from the United States. I think you will find that there is \$3,000 left over. This is for discretionary funds.

**Senator Leonard:** This really means that in budgeting, if some real worthwhile painting such as the Rembrandt came along, you would not be able to buy it unless you had built up that fund.

**Dr. Boggs:** No. We have the alternative of asking the minister to approach the Cabinet for special appropriations.

**Senator Leonard:** That would be a supplementary estimate in a case of this kind.

**Dr. Boggs:** Yes.

**Senator Leonard:** I am very glad you know about that.

**Dr. Boggs:** They have been very good in the past. I trust that they will again.

**Senator Macnaughton:** In view of the fact that your gallery at Expo is such an extraordinary success, and admittedly so throughout the world, do you not think it would be a good idea if the Canadian National Gallery did a little bit of publicity about that, or some crowing about it?

**Dr. Boggs:** That is a very awkward business because of our relationship with Expo. In making the contract to carry out that exhibition at Expo, we made the mistake of not handling our own promotion, and they have outsmarted us. I do not know how to describe the situation, but it can be exasperating. However, the *New York Times* has given complete credit to us, to Miss Kathleen Fenwick—its Director, who is our Curator of Paints and Drawings—and to Mr. Gyde Shepherd—its Deputy-Director, who is our Curator of European Art. The National Gallery pays the salaries of both.

**Senator Rattenbury:** Perhaps your arrangement would end on October 28.

**Dr. Boggs:** I am quite willing to crow about the exhibition on any occasion, and I encourage the others to do so, but it is a little difficult when we do not control the situation.

**Senator McDonald:** You gave us a breakdown of the \$750,000 a moment ago.

**Dr. Boggs:** Yes.

**Senator McDonald:** And there have been some people a little concerned whether you are building up any reserve. In your breakdown you mentioned \$100,000 for the purchase of Canadian art. This does not necessarily mean that in the year '67-68 you would spend all of that \$100,000. Suppose you only spend \$60,000 of the \$100,000 budget on Canadian art? The balance of \$40,000 would carry over until the next year, would it not?

**Dr. Boggs:** Yes, it could. There have been periods of austerity during the past when



such money has been taken away from the National Gallery. Is that not correct, Mr. Palmer?

**Mr. Palmer:** Not when it is voted.

**The Chairman:** Mr. Glashan, would you comment on that?

**Mr. Glashan:** No, sir. I will not.

**Senator McDonald:** Is the policy at the moment that, if you only spent \$60,000, you would lose the \$40,000?

**Dr. Boggs:** Actually, this past year we had a balance of \$17,000 which was carried over.

**Senator McDonald:** Has it been taken back?

**Dr. Boggs:** No, it was carried over and we will spend it this year.

**Senator McDonald:** So you may have \$117,000 to spend instead of just \$100,000?

**Senator Smith (Queens-Shelburne):** Does that mean that it will always carry over? I do not know what the present form will be like, under the new Museum Act. It does not provide for saving for a rainy day. I thought it had to be revoted.

**Senator Leonard:** Not under this act. Under this act they have two accounts in the consolidated revenue fund. Mr. Glashan can confirm this. They can draw from one account at any time without returning to the Estimates.

**Mr. Palmer:** The very point of this arrangement is to allow the National Gallery to budget with the knowledge in mind that there will be no lapsing of funds. We can have \$500,000 and can plan our year accordingly. As somebody has already suggested, we find it very easy to spend that money, because in past years it has been rather small. But it does preserve a continuity so that we can bank on a full, planned program and carry it on over a period from one year to another. Voted funds are transferred to an open account in the Consolidated Revenue Fund.

**Senator Quart:** Dr. Boggs, first of all I want to say how pleased I am to have you here this morning. Unfortunately, I have to dash away but first of all I would like to express my personal appreciation. Now I have a ques-

tion to ask which is based on Senator Smith's (Queens-Shelburne) idea. Are you contemplating doing something about having films or stills of the pavilion at Expo—the art display at Expo, which is perfectly wonderful? Do you intend doing something like what they have done at different other pavilions such as the Czechoslovak pavilion last night? In particular would you, and I stress you, have time allotted, whenever it would be opportune, by C.B.C. and take an hour, or such time as it would require to explain the paintings and explaining the different angles like you have done this morning? Don't you think the Canadian public would be interested in this?

**Dr. Boggs:** We are just in the process of sending cables out to the various owners to get permission to do this and to televise the works. We are not automatically allowed to televise them. For example, the Queen when she lends pictures to an exhibition does not allow them to be televised automatically.

**Senator Pouliot:** Mr. Chairman, I have a few questions to ask of Madame. First of all I would like to know how the market value of a picture is established.

**Dr. Boggs:** I am really not an economist so I cannot tell you that. But I think it is rather like the stock exchange; it is related to supply and demand. There are large auctions held—the best auction houses are in London, Sotheby's and Christie's—and the bidding at the auctions determines the value. This is how the values are generally established.

**Senator Pouliot:** So it depends on auction sales taking place in the big auction houses in England?

**Dr. Boggs:** Yes. For example, we were looking at a Picasso a little while back and suddenly the price went up because a Picasso was sold at an auction in London for over \$500,000.

**Senator Pouliot:** How could there be a difference in price or in value of a picture from \$100,000 or \$200,000 or even \$300,000 or other pictures sold at a very high price when they are not any better than others that are bought at a much lower price?

**Dr. Boggs:** That is quite right. One tries to find the best picture one can get at the lowest possible price. One bargains about the price of a picture just as one bargains about the price of anything else.



**Senator Pouliot:** In other words it depends on the craze of those who attend auction sales.

**Dr. Boggs:** Not completely, but that does help in determining the buying price.

**Senator Pouliot:** It can be affected by the extent to which the people attending an auction fall in love with a particular picture.

**Dr. Boggs:** Yes.

**Senator Pouliot:** Will you admit, Madame, that those prices are greatly exaggerated?

**Dr. Boggs:** Yes, some are very greatly exaggerated, and one of the concerns of the National Gallery is to buy as many as possible as cheaply as we can.

**Senator Pouliot:** What is the norm or basis for deciding the beauty of any work of art?

**Dr. Boggs:** Well, perhaps beauty is not the right word. It depends on the meaning or the significance. It depends on what it has to say or to communicate.

**Senator Pouliot:** Will you please tell me what kind of beauty you find in a painting which is all black like the roof of a barn?

**The Chairman:** On this point, senator, I have no doubt the witness will answer that. But right at the beginning of this meeting we had a general discussion about modern and abstract art, and of course this does not prevent the witness from answering your specific question.

**Senator Pouliot:** Was there a question about this already?

**The Chairman:** About abstract and modern art.

**Senator Pouliot:** This is something that concerns me. I am sorry I did not have notice of the meeting yesterday. I got the card this morning. I do not wish to interfere with the questions that others may wish to ask.

**The Chairman:** I am sure the witness will be very happy to answer your question.

**Senator Pouliot:** Mr. Chairman, I think you are a lifesaver. But my mind is not satisfied. I would like to know what is the norm of beauty for any particular piece of art.

**Dr. Boggs:** The answer is that there really isn't one. There is no norm. Art is like life,

like history—it changes. It is as variable as you and I are. It is concerned with truth and not with an absolute beauty. It is concerned with our experience with everything, with our fears, with our emotions, with the world we know and react to. The world in which we live is infinite in its variations and art is the same.

**Senator Pouliot:** I have a last question. I ask it in order to clean up some mystery which appears to my mind to exist. Will you agree that at the present time the whole world, not just Canada but the whole world, is passing through a period of artistic decay?

**Dr. Boggs:** No.

**Senator Pouliot:** Will you tell me that the works of Henry Moore are worth anything?

**Dr. Boggs:** I think they are.

**Senator Pouliot:** They are worth the weight of the metal.

**Senator Leonard:** The tonnage.

**Senator Pouliot:** The last question I have is this: Do you think personally, as an expert in art, that it is those artists, painters, sculptors and even musicians who are deprived of talent and whose works are so ugly that are benefiting to a tremendous extent?

**Dr. Boggs:** In any period there are artists without talent, and very frequently they are the ones who are most highly admired. The most admired artists of the nineteenth century were Gérôme and Cabanel. Their works fetched high prices and one could buy a Cézanne very cheaply. Our own period is probably very much the same.

**Senator Pouliot:** The last thing I want to know is this: There was a rumour that you were enlarging the National Gallery, and I suggest that all the junk should be sent to the cellar which would make more room available for nice pictures and good sculptures, sculptures that do not need to be explained. At the present time you see a piece of metal and you look at it and you turn around and you try to know the meaning of it. You cannot suggest a name for it. You go around and look at it from the back, and you look at it from underneath and from the top but your mind is not satisfied. You do not know what it is. Then you ask the guide what it is and he says it is an angel—an angel without wings.



**Senator Molson:** Mr. Chairman, in view of the fact there has been so much publicity recently on sales of forgeries and the suggestion that this is much more widespread than any of us realizes, I would like to ask the director two questions. First of all, have we had any bad luck in the National Gallery of this sort, that you know of?

**Dr. Boggs:** I cannot think of a case, but, as I have already mentioned, I have only been there a year. It is not impossible that there has been such a case in the past.

**Senator Molson:** There is no suspicion, shall I say, at the moment?

**Dr. Boggs:** No.

**Senator Macnaughton:** There was the Chrysler exhibition.

**Dr. Boggs:** Yes, that was embarrassing.

**Senator Molson:** Coming back to modern art—which I admit I do not understand, in common with a lot of others—it has been published on many occasions that prizes in exhibitions and high awards of merit have been given some rather extraordinary modern works which have turned out to be painted by a dog's tail, or a three year old child, or somebody with a tremendous sense of humour. I am wondering if acquisition in that field is not extraordinarily difficult for this reason, and how you proceed about it in order not to get taken in on a really large gaff.

**Dr. Boggs:** First of all, you realize that most of our acquisitions in contemporary art are Canadian. Our curators of Canadian art do know the artists. They go to the artists' studios and get a sense of the whole character of their work before we acquire any one work, so we know it is not a dog's tail or worms that have produced it. In every case we know the artist involved.

**The Chairman:** To pursue the point raised by Senator Molson, what would be the portion of your budget in relation to the acquisition of these modern Canadian works of abstract art, whether in sculpture or paintings?

**Dr. Boggs:** In anything—sculpture, drawings, prints—probably one-seventh.

**The Chairman:** One-seventh?

**Dr. Boggs:** Yes, a seventh of our budget.

**Senator Leonard:** I have some questions about the new legislation which is putting the National Gallery, the National Museum and several of the other cultural bodies together. Have you any comment on the effect of that on the National Gallery? Does it involve much in the way of changes that you would like to see?

**Dr. Boggs:** I think that for ourselves there is no gain in the act. The gain is for the other museums, to be very frank about it. The advantages for them under the new act, we possess already.

**Senator Leonard:** Perhaps you do not want to comment. You are putting in some new directors?

**Dr. Boggs:** There will be an overall board of trustees for all museums and the National Gallery, instead of just one for the National Gallery. I do not know whether you consider that a gain or not?

**Senator Leonard:** Your present board of directors or trustees, whatever you call them, will not all then be directors of the Art Gallery either?

**Dr. Boggs:** No.

**Senator Leonard:** There seems to be a loss?

**Dr. Boggs:** Yes.

**The Chairman:** Are there any other questions?

**Senator Hays:** Dr. Boggs, you purchased the Rembrandt?

**Dr. Boggs:** Yes.

**Senator Hays:** How did you go about purchasing it? How did you determine the price?

**Dr. Boggs:** First of all, our two curators, Dr. Robert Hubbard, our Chief Curator, and Mr. G. V. Shepherd, our Curator of European Art, went to see modern art at a dealer's called Marlborough in New York, and he showed him this Rembrandt. We thought at one point we had lost it to a German museum, but we did not.

**Senator Hays:** Who owned it?

**Dr. Boggs:** Sir Otto Beit, a South African diamond merchant.



**Senator Hays:** This was in New York?

**Dr. Boggs:** The picture was in New York for sale, but the former owner lives in Dublin and London.

**Senator Hays:** Did he send the painting to New York for sale?

**Dr. Boggs:** Yes.

**Senator Hays:** Why was it not sold by auction?

**Dr. Boggs:** Sometimes owners want to be more discreet than that.

**Senator Hays:** So they can get their price?

**Dr. Boggs:** Prices of Rembrandts are well established, and one can always hope that with a dealer it might fetch a higher price than at an auction.

**Senator Hays:** But anything that people will pay?

**Dr. Boggs:** Yes.

**Senator Hays:** Your curators established this was worth \$330,000.

**Dr. Boggs:** \$364,000, actually.

**Senator Hays:** Did you consult outside people?

**Dr. Boggs:** Yes. Also in relation to this question which was brought up a minute ago about forgeries, you may be interested in the fact that we did investigate this picture very thoroughly. It is in all the Rembrandt literature. Our conservation laboratory, which does an excellent job, went over it in great detail, and there is no question of it being a seventeenth century work on panel in good condition, with one tiny area repainted. Rembrandt's initials are on it and the date 1629—he was a young man of 23 when he painted it. All that is there. I saw two able men who work on Rembrandts. One is Professor Jacob Rosenberg, who is now Kress Professor at the National Gallery of Art in Washington, and Seymour Slive, who is Professor at Harvard. They knew the picture. I discussed prices with museum director colleagues, the Associate-Director of the Art Institute in Chicago, and the Director of the Minneapolis Art Institute, to see what they thought the price should be. I have had letters also, since we paid the price—and, due

to the Senate, such a public price—from people in the field saying it was a good bargain.

**Senator Hays:** They would have paid the price for it?

**Dr. Boggs:** Yes.

**Senator Hays:** You would sell it for this?

**Dr. Boggs:** Yes, we could sell it for this.

**Senator Hays:** You paid more than anybody else in the world for this painting?

**Dr. Boggs:** Yes.

**Senator Hays:** The reason I am asking some of these questions is that I am a farmer and I sell cattle, and I sell them for very high prices. We must always have at least two people bidding on them, and they determine the value of the particular cattle. I just question whether you can buy a painting at the best price—

**The Chairman:** There is only one Rembrandt available, but there are a lot of cattle.

**Senator Hays:** But there are only so many good paintings, no matter who buys them.

**Dr. Boggs:** Yes.

**Senator Hays:** I am not criticizing you, but I am suggesting there are ways of being taken pretty badly in so far as art or any other sort of thing is concerned, because we did pay more for this painting than anybody else in the world. It was sent from Africa to New York, and if there was anybody in New York who would have paid more for it they would have paid more.

**Dr. Boggs:** That is not quite true, because one has to know where the picture is at a particular moment, and once we put a hold on it, nobody else can buy it.

**Senator Rattenbury:** Purely as a matter of interest, you referred to this American oil millionaire who was taken?

**Dr. Boggs:** Yes.

**Senator Rattenbury:** Would not he have checked on the authenticity of these paintings?

**Dr. Boggs:** Apparently not.

**Senator Rattenbury:** When you are investing vast amounts of money you surely would?



**Dr. Boggs:** He should have, but this is not unusual.

**Senator Rattenbury:** It is not unusual?

**Dr. Boggs:** No, unhappily it is not. There are collectors who put their trust in a certain dealer and buy from him exclusively. Sometimes they have been very lucky. There was Mr. Frick who bought from Lord Duveen, and produced the great collection which is now the Frick museum. Mr. Huntington of California did the same thing with Duveen.

**Senator Rattenbury:** Would Mr. Frick rely on his own knowledge of art?

**Dr. Boggs:** He relied pretty much on Duveen, but he was a pretty astute railway man and he knew a good business deal, and Mr. Duveen sold very well to Mr. Frick. I have seen other collections put together in the same way which are not nearly as good.

**Senator Macnaughton:** Would it be true to say under this new legislative set-up that while the National Gallery would appear to lose one or two of its commissioners it will be placed, on the other hand, in a position of being able to exert a great deal of influence on other art galleries across the country, and that that may be one of the purposes of the change?

**Dr. Boggs:** I think that that is one of the principles behind it. But we are already working along that line. You have talked about the travelling allowance, and I pointed out that that was to bring other Canadian museum directors to the National Gallery. We

have special seminars that bring other museum employees to Ottawa—from Fredericton and Vancouver. This means a lot to those communities.

**The Chairman:** Are there any other questions?

**Senator Leonard:** Mr. Chairman, we are all very grateful to Dr. Boggs for the valuable and interesting information she has given us today.

**The Chairman:** Before we adjourn may I have the usual motion to print the proceedings.

The committee agreed to report recommending authority be granted for the printing of 800 copies in English and 300 copies in French of the committee's proceedings on the bill.

Honourable senators, on your behalf I thank Mr. Palmer, the Chief Administration Officer of the National Gallery, and Mr. Glashan from the Treasury Board, and also, of course, Dr. Boggs for giving us such interesting and informative evidence this morning. I am sure all members of the committee will agree with me when I say that we are very proud of the Director of the National Gallery of Canada and of the work she has done so far.

**Hon. Senators:** Hear, hear.

**Dr. Boggs:** Thank you very much.

The committee adjourned.









Second Session—Twenty-seventh Parliament

1967

# THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

## FINANCE

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The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

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No. 2

*Third Proceedings on The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1968.

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THURSDAY, JUNE 29th, 1967

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WITNESS:

*Economic Council of Canada: Dr. J. J. Deutsch, Chairman.*

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1967



Second Session—Twenty-seventh Parliament

1981

THE STANDING COMMITTEE  
ON  
FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird	Leonard
Aseltine	Macdonald ( <i>Brantford</i> )
Baird	MacKenzie
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	Méthot
Belisle	Molson
Benidickson	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax-North</i> )	Phillips
Croll	Pouliot
Denis	Power
Deschatelets	Quart
Farris	Rattenbury
Flynn	Reid
Gélinas	Roebuck
Gershaw	Savoie
Grosart	Smith ( <i>Queens-Shelburne</i> )
Haig	Thorvaldson
Hayden	Vaillancourt
Hays	Vien
Isnor	Welch
Kinley	Yuzyk (46)

*Ex Officio members:* Brooks and Connolly (*Ottawa West*).

WITNESS:

Economic Council of Canada: Dr. J. Deschatelets, Chairman

ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative.”

J. F. MacNEILL,  
*Clerk of the Senate.*





## MINUTES OF PROCEEDINGS

THURSDAY, June 29th, 1967.

(2)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 11.00 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Aird, Baird, Beaubien (*Provencher*), Beaubien (*Bedford*), Brooks, Burchill, Connolly (*Ottawa West*), Croll, Gershaw, Grosart, Haig, Hays, Isnor, Kinley, Leonard, MacKenzie, McCutcheon, Méthot, Molson, O'Leary (*Antigonish-Guysborough*), Pearson, Quart, Smith (*Queens-Shelburne*), Welch and Yuzyk.

At the suggestion of the Chairman and on Motion of the Honourable Senator Haig, the Honourable Senator Molson was elected *Deputy Chairman*.

On Motion duly put, the following were selected as the members of the Steering Committee: The Honourable Senators Deschatelets (*Chairman*), Flynn, Haig, Leonard, Molson (*Deputy Chairman*) and Smith (*Queens-Shelburne*).

The following witness was heard:

*Economic Council of Canada:* Dr. J. J. Deutsch, Chairman.

Dr. Deutsch made a statement regarding the effect of Government spending on the economy, after which he was extensively questioned by the Committee.

After discussion, the Clerk of the Committee was ordered to procure copies of the Review of the Economic Council of Canada of November, 1966, and to distribute same to all members of the Committee.

The Chairman, on behalf of the Committee, thanked Dr. Deutsch for his appearance before the Committee.

At 12.50 p.m. the Committee adjourned to the call of the Chairman.

Attest.

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE STANDING COMMITTEE ON FINANCE

### EVIDENCE

(Recorded by Electronic Apparatus)

Ottawa, Thursday, June 29, 1967.

The Standing Committee on Finance met this day at 11 a.m.

**Senator Jean-Paul Deschatelets** in the Chair.

**The Chairman:** Honourable senators, it is 11 o'clock, and we have a quorum. Shall we come to order?

The first item on the agenda this morning is the appointment of a Deputy Chairman. This was overlooked at the last meeting. Also, after we have dealt with this matter, I am going to ask that we appoint a steering committee.

As you know, Senator Molson has acted as Deputy Chairman previously, and he has performed those duties extremely well. Having said that, is there any suggestion?

**Senator Haig:** I move that Senator Molson be appointed Deputy Chairman.

**Senator Croll:** I second that motion.

**Hon. Senators:** Carried.

**The Chairman:** The next item on the agenda is the appointment of a steering committee. Last session it consisted of Senators Flynn, Haig, Leonard, Molson, Smith (Queens-Shelburne) and also the Chairman.

Is there any suggestion as to changes in the steering committee? If not, I think a motion would be in order.

**Senator Croll:** I so move.

**Hon. Senators:** Carried.

**The Chairman:** Honourable senators, I hope that by now you have received in the mail the Supplementary Estimates (A). As you know, we will have another meeting on Friday, July 7. May I suggest that you have a good look at this document in the meantime, as we are going to deal with it and also with some other aspects of the Estimates.

When we resume the session in the fall, I hope the steering committee will have had the opportunity to meet and to set out a program of business for our committee to follow, subject, of course, to the approval of the main committee. It might be a good idea, when we come back in the fall, to have an informal meeting of the main committee to deal with this specific matter of the program of business.

Having said that, honourable senators, we now come to the last item on the agenda this morning, and it is, of course, the most important one.

Dr. John J. Deutsch does not need any introduction. In the past he has done outstanding work and research for this committee when it studied the threat of inflation, and for the Special committee on Manpower and Employment, and let us say that his contribution has led to major legislation.

As you know, he is the Chairman of the Economic Council, and in his last report Dr. Deutsch suggested that the report be studied and examined by a joint committee of both houses—and maybe we would like him to comment on this—or, if not a joint committee, it may be that a study by the Senate Committee on Finance would be in order.

I know I am expressing the wish of all honourable senators here when I say to him that we would like to hear him on the effect of government expenditures on the economy of the country. I would ask him, while doing so, to give us some guidance on this important question.

Honourable senators, I suggest that we proceed in our usual orderly way by asking Dr. Deutsch to address us. While he is speaking perhaps you might make some notes, and then after Dr. Deutsch is through the meeting will be open for questions. Is this procedure agreeable to the committee?

**Hon. Senators:** Agreed.



**Dr. John J. Deutsch:** Mr. Chairman and honourable senators; I should like first of all to thank you, Mr. Chairman, for your very kind introduction. It has always been a pleasure for me to appear before you because I have found the proceedings very interesting and, I might say, very profitable to myself. While I hope I have given you some useful information I myself have also profited from the discussion, and I have learned. It is in that same spirit that I come before you today.

Your chairman has suggested that I start the proceedings by giving a short introduction in which I discuss the relationship of government expenditures to the economy, and refer to one or two suggestions made in the last report of the Economic Council, to which the chairman referred.

It is well known, of course—and nobody needs to be reminded of this—that government expenditures and government taxation, or, generally, government finances, nowadays have a very important bearing upon the operation of the economy. We are all very aware of this fact, if for no other reason than the fact that government operations today are very large. All government expenditures in Canada at the present time are running at somewhere around 32 per cent of the G.N.P. In 1966 total government expenditures—that is, expenditures by all governments—was equivalent to 32 per cent of G.N.P. It will be realized at once that this is a very large element in the economy. Government operations do have a very strong effect upon the operations of the economy itself.

I think it was Mr. Abbott, the former Minister of Finance, who once said that the government budget is the balance wheel of the economy. That was a phrase that he used, and it is, of course, very true.

Now, how do government expenditures affect the economy? The effects are extremely widespread and extremely complex, and I cannot attempt to trace them all through in a short introduction. However, I shall touch upon two or three of the main features—at least, sufficient to enable us to commence our discussion.

First of all, there is the overall question of the relationship of government operations to the private economy. In so far as governments do things in our society they represent what we call a collective expenditure, or a collective income. Government expenditures, of course, always go into somebody else's income. Governments raise revenue on one side

by taxes, and on the other side they make payments, many of which go to individuals.

Government expenditures represent the collective part of our consumption. These are things we have all decided we shall do by levying common charges or taxes, or whatever they may be—common fees—and in return for that we get services. These services we enjoy collectively, which is in contrast to the private economy in which people make individual choices as to their own wishes regarding the expenditure of their money and the things they wish to buy. These are individual decisions. When you get to the public sector these decisions are taken collectively.

What we have been doing for some time now, going back many, many years, is increasing the collective part of our economy. The things that we have decided to do collectively, either to pay for collectively or to consume collectively—by collective decision, and not by individual decision—have been increasing in number. This has been going on for a hundred years or more. There has been a steady increase in the collective part of our economy.

In 1960, for instance, government expenditures represented 30.9 per cent of the G.N.P., and in 1966 they had risen to 32.0 per cent. So, it can be seen that there is a gradual upward movement. Of course, in the period from 1960 on the economy was expanding quite rapidly, but the proportion of government expenditures to the G.N.P. has been rising slightly more rapidly than has the total national production, which shows that there has been a continued shift into the collective part of our consumption. From this it can be seen that governments play a very large role in the economic welfare of all the population, and this role is increasing.

What I have been talking about has to do very broadly with the role of government, and the shift that has taken place. The second question to which I want to address myself: How do these operations of government affect the way the economy operates? There are many effects, as I said earlier, and they are very complicated, and I shall not try to trace them all through.

In the first place we must consider the position of public finances—that is, the extent to which they are in surplus or deficit. In other words, government incomes and expenditures do not always balance, as you know. What is collected in revenue and fees, and so on, does not always balance what is paid out.



This depends upon the levels of taxes, and other things. You have to ask: Are government expenditures in surplus or in deficit? This position of deficit or surplus can have very powerful effects on the way the economy operates. In certain circumstances a deficit can have a very stimulating effect on the economy in combination with other things. It can promote its expansion and growth, especially if you have substantial unemployment in the system. If you have substantial unused capacity in the country the government deficit can then be an important factor in stimulating the economy towards fuller employment and more rapid growth, if it is combined with appropriate monetary policy.

The two things have to be looked at together. You cannot look at them in isolation. But, in certain conditions, when you have excess capacity in the economy—unemployment—and you have the right kind of monetary policy, that deficit can be a stimulating factor in promoting a faster growth of the economy and a fuller use of its resources.

In other circumstances a deficit could have a different kind of effect. In certain circumstances, when the economy is operating at full employment and operating at full capacity—or, as we now say, at at potential—and you have a deficit, then if you have a certain kind of monetary policy it could have a very inflationary effect on the economy. It could have an effect which would cause prices to rise and costs to increase.

Take the other case of a surplus. Under certain conditions a surplus may result in a drag on the economy. If you have unemployment, and the private economy is contracting at the same time because of certain conditions of the business cycle, and a surplus and taxes are taking away more purchasing power than the Government is putting out, the surplus could put a drag on the economy.

At other times, when you have an economy already inflationary which is expanding very rapidly and which is approaching full employment, then a surplus together with appropriate monetary policies could dampen it down and restrain inflation.

These are some of the very important effects of the position of public finance on how the economy operates. Therefore, it can be seen how very important at all times it is that the position of public finance be an appropriate one in relation to economic conditions; whether you have a surplus or a deficit, and how big the surplus or deficit is, becomes

an important question, along with monetary policy, in regard to the way the economy operates.

Budget time is a very important time in Canada, and rightly so, because the condition of the budget and the condition of government finances can have a very important effect. It is also important to relate in the budget what is the economic situation and the economic outlook. This becomes a most important matter, for the reasons I have given.

There are other aspects of public expenditure which I should mention. Nowadays a good deal of the basic infra-structure is provided by government. "Infra-structure" means such things as the social overhead, transportation systems, communication systems—all our public facilities. The adequacy of that infra-structure has a good deal to do with the way the private economy operates. If we have adequate transportation facilities, urban facilities, educational facilities, and all these things which the Government provides, and if they are adequate and well designed this would make it easier for private enterprise to do its job. The Government is always concerned, in our type of society, in seeing to it that we are providing the kind of basic social facilities that are needed for a growing economy. This is a very important task for government and a very important role of public expenditure. In doing so, however, because governments are now so large, it also becomes very important that this be done efficiently and productively—the bigger governments become the more important this is, because governments are beginning to use a large part of our resources, and there is a big question of how effectively these resources are being used.

There can be no question about the value of the basic infra-structure and the basic government services, and with an increasingly complex and urban society, the role of social facilities is likely to grow. The more you bunch people into great urban centres the greater become the necessary common services, and it is quite likely that this role of the government with regard to the basic infra-structure is going to be an increasing one in many ways.

This raises very strongly the matter of the need to use these resources efficiently and productively. This is a great task for government and a question of great concern in regard to government operations. How are you to insure that these growing resources which



government uses are in fact used efficiently and effectively. That is of great importance. I can say more about it later.

Finally, another matter about government expenditure which I wish to bring to your attention, and which the Council has concerned itself about, is the way in which government expenditures develop, which also has a big effect on the economy. Again, because they are large, and because they have a large effect on the way the private economy can operate, it is very important whether these expenditures develop in a relatively smooth way or whether they are subject to wide fluctuations. If they are subject to wide fluctuations from one year to the next because they are so large, they can have a very strong impact on the economy, particularly if they happen to collide with what is going on in the private economy.

The Council has recommended very strongly right from the beginning that governments in Canada should undertake longer range programs, not on a year-to-year basis, but that we should look at government programs from a longer time horizon. We suggest five years.

You will remember that the Glassco Commission also made this recommendation. We, looking at it from the point of view of the effect of government expenditures on the economy, would strongly endorse that recommendation. This has several values. One is that private business would have a much clearer idea of what the government is going to be doing in the next four or five years—what sort of facilities are they going to provide, what in the way of transport, and all these necessary things. These should be made known so that private business can develop its plans in relation to a better knowledge of what the Government is going to be doing. This can be very important in achieving a smoother development of the private economy. We therefore emphasize very strongly the desirability of looking at government programs from a longer time horizon—at least five years, instead of one year. I think this has been started. I believe the federal Government is trying now to develop this, which is sound, but we still have a long way to go in developing this idea.

Secondly, aside from providing good, useful knowledge to private business, I think it would enable government expenditure to proceed more smoothly than has been the case. We have had very sharp variations in government expenditure; in the past year or two we

have had very sharp increases at a time when the private economy was also expanding very rapidly. This very sharp growth in government expenditures at the same time that private expenditures have risen very rapidly has had an effect on our price and cost behaviour in the past year or two. We have overloaded the economy in the past year or two, until recently at any rate, and during this period we also saw a very rapid expansion of Government expenditures, particularly capital expenditure, at a time when other pressures were very heavy on the economy.

These kinds of fluctuation can have a very disturbing effect on the way the economy operates and the kind of price and cost performance that takes place. Therefore we as a Council, in order to get a better performance in the economy, were anxious that we have a smoother, longer range development of Government programs which will not have the result of sharp up and down movements which could disturb the economy as a whole unnecessarily. This is important. I think that a longer range programming of Government expenditures would help in this regard, especially during periods of inflationary pressure.

These are some of the aspects of Government expenditures and how they affect the economy. In order to promote more careful assessment of the role of Government and fiscal policy in our economy, the Economic Council suggested in its last report a much more thorough discussion in this country of economic trends and developments than we have had in the past, and that this discussion should be promoted by adequate research, information and analysis. For instance, we have suggested that the Council's own report, which is done annually, should come out earlier in the year. In the past it has come out towards the end of the year. We suggest that it should now come out earlier, in the fall, early in the autumn.

We have also suggested that the Government should advance the date of its budget white paper, which is now published on the eve of the budget. We recommend that this assessment in the white paper, which attempts to assess the short-range developments in the economy and is, as you know, a background to the budget, should be made earlier and published in the autumn, not long after we publish our review which deals with longer range problems. We also suggest that the survey of private business capital investment



intentions, which is made every year by the Department of Trade and Commerce and the Dominion Bureau of Statistics—these private capital investment intentions have a very large bearing on the operations of the economy, at least in the short run—should be made earlier too, and issued in the fall.

With this material we would have a great deal of documentation about economic intentions and the outlook for economic conditions. This should stimulate a very wide public discussion prior to the time when governments make their budgets and finish up their expenditure programs. The budget tax policy and expenditure programs should be made in the light of these assessments and the public discussion that has gone on around these assessments.

In this connection we are also suggesting, as a very important part of it, that these assessments should be looked at by a joint committee of the Senate and House of Commons. These documents that I have talked about should go before this joint committee, which should discuss them and hold hearings on them. They should ask outside experts to come and give their views, outside businessmen and other groups such as academic experts and others, and in the light of this the committee should draw up a report and make its views available to Parliament in the light of its assessment of these documents and the evidence it has heard. With this background we would have an excellent basis for the Government to develop its budget tax policy for the coming year.

This would also have a very important public education function, obviously. If we are to operate our very complex economy in the best possible way we must have a widespread understanding of the economic problems with which we are dealing and the public issues involved. By means of better documentation and better discussion we would have a very important educational effect in the country as a whole, and a better understanding by businessmen.

We further suggest that this material—the Council's report, the white paper and the Trade and Commerce and D.B.S. surveys—should be a necessary and useful background to a dominion-provincial conference. It is now customary to have the ministers of finance and provincial treasurers meet every year in the late autumn to examine the economic situation. This procedure has now been pretty well established. We are suggesting

that this documentation should also be available to this annual meeting of the finance ministers and treasurers during their discussions. This would also help in getting better co-ordination. If we get some kind of consensus of the economic situation, which this discussion would help to reach, it is likely that we shall get a more co-ordinated set of policies by the provinces and the federal Government appropriate to the needs of the economy and the requirements of the country.

This is what the Economic Council has suggested we should do if we are to relate more effectively and more closely the operations of government expenditures and policies to the needs of the economy. We need to examine the nature of the problems and developments much more closely than we have done in the past, and we need to do it in places where it will have the most effect in educating the public and getting the kind of decisions which would be needed in the Government.

Of course, I should say that this is not entirely an invention of our own. This procedure of a joint economic committee is one that has been followed in the United States for quite a while. The joint economic committee of the United States Congress has been a very important body down there, as you know, and has had a very good effect on thinking in the United States. They have gathered together a great amount of knowledge and expertise at their hearings and have issued many good reports, which have made a major contribution to thinking on these questions in that country. I think that we can learn something from that experience. I am not suggesting that we should take over what the American Congress does. That is not the point. Nor am I suggesting that we should take over any aspect of their system. The point is that this kind of public discussion of major economic and financial issues as a regular thing, creating a place where experts and others can come to make their views known publicly, so that afterwards reports can be prepared and assessments made of the economic situation as a background to the development of Government policy, has become a very useful thing in that country. I think we can well benefit from that kind of procedure within our own system, with our own way of doing these things. We suggest that this is a desirable thing to do.

Mr. Chairman, I think I have spoken for much too long. I wanted to give you only a summary, of the kinds of things that we in



the Council have been concerned about, and why in relation to Government expenditures and Government programs.

**The Chairman:** Now, honourable senators, the question period is open.

**Senator Isnor:** Dr. Deutsch, when you spoke of governments, did you take in all levels?

**Dr. Deutsch:** Yes. The figures I gave you related to all levels of government, federal, provincial and municipal. I have not made any distinctions among them.

**Senator Isnor:** Did your council hold any open meetings, so-called open meetings, for discussions with boards of trade and other bodies through 1966-67?

**Dr. Deutsch:** Well, no. We had various conferences during the year. Actually, I am not sure of what you mean, Senator.

**Senator Isnor:** I think you advocated that in the future a council should be set up for giving information to the Government as to conditions in the country and so on.

**Dr. Deutsch:** Perhaps I should run over all the things we have suggested. We have suggested one of the ways in which we can get better discussion in this country of economic and financial problems is to have a joint committee of the Senate and House. That is one of the things we suggested, to which various documents would go regularly and would become the basis of the discussion to start with. We also suggested that there should be set up—and perhaps this is what you were referring to—a private institution in Canada which would be supported largely by private funds and which would make it its task to study current economic developments, short-run economic developments, and to make perhaps short-term forecasts. It would make studies of current developments in the economy and it would publish these. It would be a research institute which would not be dependent on Government, but which would be private and as objective as possible.

It would be staffed by the best experts available, would operate under independent conditions, and would make regular assessments on the way the economy operates and the problems which are emerging. It would perhaps make short-term forecasts of the outlook and issue these for the benefit of governments and private businesses as a regular practice.

This kind of work would be of the highest quality—it would involve the highest degree of independent activity. It would not depend on any particular interest or group or on government of any kind. It should, therefore, be the best assessment which could be made by the best available experts.

Now, this kind of thing is being done regularly in many other countries. But we in this country are not equipped with anything of the kind, which is a pity.

**Senator Leonard:** Dr. Deutsch, is P.E.P. in England the kind of thing you mean?

**Dr. Deutsch:** No, the National Institute of Economic Research in England is the type of thing I have in mind. Then, in the European countries there are a good many such organizations. In Germany there are as many as 12 major organizations of this type. In Sweden they have a very well known organization. They have one in France. In fact, many countries have this type of organization. It is a very useful part of their economic and financial scene.

**Senator Croll:** Do the United States of America have such an organization?

**Dr. Deutsch:** The United States have several. We have not got this kind of thing in this country. We have the Private Planning Association, and the National Industrial Conference Board, but they are concerned with more general questions.

**Senator Isnor:** What of the chambers of commerce?

**Dr. Deutsch:** Yes. These are more or less service organizations, however, as are the boards of trade. But here we are talking about an expert, professional assessment by the best experts available, and the making of regular reports. They would also give regular assessments of the outlook. This might be a necessary and even essential part of the information available to governments and business regarding the operations of the economy, which would be most useful in the development of policies and for making decisions of all kinds.

Also important is the fact that this information would be coming from a completely objective source rather than from governments or particular groups in society.

We feel in the Council that this would be a very desirable thing to have in this country,



and we recommend that such an institution should be set up.

**Senator Isnor:** But set up by whom?

**Dr. Deutsch:** We are hoping that some private group may take the initiative. It would be a good idea to explore where the necessary money could be raised. It would have to be raised partly from foundations, partly from private business and, to some extent, by government, although the governments must not have the main say. It could be a trustee kind of operation to ensure the independence of the staff. In fact, we have models for this in other countries.

**Senator Brooks:** How about the APEC in the Maritimes?

**Dr. Deutsch:** They are concerned with regional developments. We hope that, if some people think it is a good idea, they will take the initiative and see how it can be set up.

I might say that there are some people who want to take the initiative in this matter and who are now exploring the possibility of setting up such an institution. I think this country would benefit a good deal if it had something of this kind functioning in it.

**Senator Isnor:** Dr. Deutsch, in your studies during the past year you mentioned transportation. Have you considered shipping and given any consideration to its future? I have wondered about that because of a large changeover from the smaller type of vessel to the larger type of ship.

**Dr. Deutsch:** We have studies going on now, Senator, on changes and developments in transportation, yes.

**Senator Isnor:** Do you make recommendations?

**Dr. Deutsch:** Some day we may have something to say about that.

**Senator Isnor:** Do you make recommendations to the departments along that line?

**Dr. Deutsch:** We have not yet, but we are doing some work on present developments and changes in the whole transportation picture, particularly as affecting the various parts of the country. However, we are not yet ready to make a report on that matter.

**Senator Isnor:** I mentioned that because I wanted it to go on record, and I hope that the Minister of Transport will take into consider-

ation the change in regard to the larger ships and provide the necessary facilities in the various ports. That is what I had in mind.

**The Chairman:** We might provide him with a copy of the proceedings, Senator.

**Senator Grosart:** Dr. Deutsch, could you give us the breakdown of the 32 per cent of G.N.P. spent by all levels of government, and would you suggest what you see the future trend to be as the level of expenditure as among those levels of government, in view of the very large fluctuations in the past?

**Dr. Deutsch:** We have compiled Government expenditures on the basis of what we call national accounts. These figures are not the same as are issued in the public accounts. We have to have comparable figures. We have here compiled these on what we call a national accounts basis, which is comparable to the way in which the national income is calculated. Otherwise there would be an improper comparison.

These are total expenditures I am dealing with. They are not on individual items such as goods, et cetera. This merely gives you the idea of the size of them in relation to another figure, the gross national product. The federal portion was 13.7 per cent of gross national product in 1966, whereas the provincial-municipal combined was 18.3 per cent.

If you add those two together you will find that it is exactly 32 per cent.

**Senator Croll:** Do they not break down municipal and provincial?

**Dr. Deutsch:** I do not have the figures for that here. Of course, they affect the same jurisdiction.

The combined provincial-municipal share is 18.3 per cent. What has been happening is that the proportion of federal expenditure has been declining slightly.

It was 15.6 per cent of G.N.P. in 1960, and it is now 13.7. The provincial-municipal proportion which is now 18.3 per cent (in 1966) was 15.3 per cent in 1960. So, you see, what is happening is that the rate of spending growth at the provincial-municipal level is significantly faster than that at the federal level. The provincial-municipal sector is growing in relation to the total. This has been going on since the 1950s. The federal share has been relatively declining. The reason for it is well known—the rising elements of government expenditure in the provincial-municipal field, particularly for things like education. Educa-



tion is the most prominent of them all. Secondly, we have the growing urbanization of our economy. One of the most striking developments in Canada in the last 20 years is the urbanization of our economy; our urban society has been growing at a tremendously rapid rate. Studies show that our rate of urbanization in Canada is one of the fastest of all the industrial countries in the world. The rate at which our cities have been growing is faster than almost anywhere else, and we have had a tremendous shift of people from the rural areas into the larger cities. This, of course, results in a tremendous need for social capital at the municipal level. This in turn has caused a very rapid growth in provincial-municipal expenditures. These are the two most prominent factors—the growing importance of education and the urbanization of our society.

**Senator Croll:** How do you explain the growth in urbanization? What is the reason for it?

**Dr. Deutsch:** Well, there are many reasons for it. In the first place the number of people required to grow food, which is what is mainly done in rural areas, has decreased very sharply. With the growing mechanization of agriculture and the application of new technology in agriculture, one person operating at an efficient level can now feed something like 33 people, whereas 100 years ago—and we are now talking about centenarians—one person could hardly do more than feed himself.

The rate of technological progress has been particularly rapid in agriculture, especially in the last 25 years. Because of that a large part of the population which was formerly engaged in these activities is no longer needed there and so they have moved into the cities. In the cities the fastest growing industries have been the service industries. The latest figures show that in recent years four out of every five people going into the labour force are employed in the service industries. I say that because these services have been growing mostly in the urban areas. The most rapidly growing services have been education and health.

In the other primary industries like mining, forestry and fishing which are carried on outside the cities, there has also been a very rapid increase in technology. Therefore they require fewer people than formerly. There was been a tremendous growth in the mechanization of woodcutting and because of this, year-round operation has become very common.

Therefore, despite the increase in output, the number of people employed has not increased. The very rapid increase in technology in mining has also resulted in a lessening of manpower required. In fishing, as I am sure you all know very well, the trend is to larger trawlers. Inshore fishing is no longer carried on to the extent that it was in the past.

The same kind of thing is taking place in other industries in the rural areas and therefore you have a very rapid shifting away of people from those areas. Today our farm population is about 7 per cent of the total labour force. The result is that while in agriculture now the room for further contraction is not nearly as great as it was, estimates show that there will be further contractions.

**Senator Grosart:** I understand that these figures you have given us, 13.7 and 18.3, are actual expenditures. How do they relate to the total percentage of the tax dollar levied by these two levels of government?

**Dr. Deutsch:** You mean the tax revenue—it would not be very much different. Of course the federal Government raises more in taxes than it spends, because it transfers money to the provinces. I have not the figures for this right here, but I do know the federal Government raises relatively more than its proportion of expenditures. You have things like equalization payments to the provinces.

**Senator Grosart:** So the 13.7 and 18.3 are not realistic in terms of taxation?

**Dr. Deutsch:** No. I was speaking in terms of proportions. The federal Government raises more than its expenditures on its own programs because, as I said, some of its taxes are distributed to the provinces.

**Senator Molson:** Mr. Chairman, I was impressed by Dr. Deutsch's recommendations earlier that the review of the Economic Council and the White Paper be available in the autumn for the dominion-provincial finance ministers' conference and for a joint committee of the House and the Senate for discussion. As a result of that it would then be more helpful in enabling the budget to perform more satisfactorily.

**Dr. Deutsch:** The budget would be developed as against this background of information and discussion.

**Senator Molson:** My question is: In our committee we have had a great many sessions in the course of which we have discussed the



development of the budget, and the way it is presently done, the timing, where the budget starts in the summer before, would seem to make it rather difficult to change the budget effectively after this information became available, because by that time, according to our past information, all the work on the budget has been completed.

**Dr. Deutsch:** Not by the summer, no.

**Senator Molson:** By the autumn. It starts in the summer.

**The Chairman:** The work on the Estimates.

**Dr. Deutsch:** It starts in the summer—the work on the Estimates.

**Senator Molson:** Yes, I should have said the "Estimates."

**Dr. Deutsch:** The Estimates usually came in to the Minister of Finance, in my time, when I was Secretary of the Treasury Board, in October and November to be looked at, and the Treasury Board sessions on these Estimates were usually held during November and December. This is my experience. That is when the decisions are being taken.

**Senator Molson:** So, this would have to ante-date that?

**Dr. Deutsch:** Yes, ante-date towards the end of the year when the decisions are being taken, in November and December. What we want is to make this material available before that. That is what we are suggesting. The decisions are usually made in December and November—and into January.

**Senator Croll:** Dr. Deutsch, following Senator Molson's question, have we reached the point, or are we not nearly at the point where our predictions a year in advance are almost out of date and we can no longer live with one budget in any one year?

**Dr. Deutsch:** I see no restriction against having more budgets, if you wish to. I should give this warning at this point, that our ability to forecast is very limited. That is a very modest statement, I might say. I think any Government or anybody else who is making budgets must always have this in mind. If you are trying to say that we should look at the situation every two or three months and then bring in a new budget every two or three months, I think it is an impractical proposition—

**Senator Croll:** I was not thinking of that.

**Dr. Deutsch:**—because I do not think we know enough about these short-term developments. What the Government can do is affected by all kinds of leads and lags. Policies are announced and put into effect, but they do not take hold until another time, and all these things have to be kept in mind when trying to say how short you should have your budget period.

I think it is more important to have a good knowledge of the general direction of the economy, which is whether it is expanding towards full capacity or whether it is falling away from that. This is more important than to try to guess short-term fluctuations, which are very difficult to guess. It is very dubious just how much the Government can do about them anyway. The main thing is to keep an eye on the main developments. Is the economy moving along the path to full potential? Ideally we should try to keep our economy operating at capacity—in other words, reasonably full employment and using the nation's capacity effectively, but not over and not under. This is a very difficult thing to do, of course. What you should keep your eye on is: Is the economy moving towards that or away from that? And you should gear your fiscal policy accordingly. If it is moving away, your fiscal policy should be stimulating; and if you are moving too fast it should be restraining. It is more the general direction you should have in mind. If you try to outguess all the sort of short-term jiggles, you are not going to have a very good record—or, at least, history does not show that. Our ability to forecast is not very great, frankly, particularly on these minor fluctuations, and we should not kid ourselves about that. But the main thing to keep in mind is whether the economy is moving over the longer run, or in the intermediate term at any rate, towards full capacity output or away from it, and does it threaten to do one or the other.

These are the important questions that should be looked at from the point of view of devising fiscal policy. It may be that during the course of the year things become clear. Maybe at the beginning of the year you thought things were going to be good; there was some uncertainty, but it looked pretty good. However, later in the year you find that we are really going down. Then you might say, "We had better have another look at the budget." It is the general direction in which you are going, rather than every two or three months out-guessing the economy. I do not think that is very feasible.



**The Chairman:** Do you have a supplementary question, Senator Molson?

**Senator Molson:** My question follows very much on what Dr. Deutsch is talking about now. I would like to ask him: In the view of the Economic Council, what position are we in right now?

**Dr. Deutsch:** Right now?

**Senator Molson:** Yes, right now.

**Dr. Deutsch:** I cannot say right now what the Council is going to say.

**Senator Molson:** But today.

**Dr. Deutsch:** In our last report, which was issued toward the end of last year, the Council indicated that the economy was slowing down; it was moving away from its rather excessive rate of growth in part of 1966. The outlook was one for a more moderate rate of growth and less pressure in the economy.

**Senator Molson:** It needs stimulation?

**Dr. Deutsch:** No, at that point we said it was too early to decide that question and that the decision should not be taken at that time. That is what we indicated. We said we should watch it; this is the position we took at the end of last year.

What has actually happened is pretty well along that line. The economy has slackened off from the very rapid rate of growth previously. It has continued to grow at a fairly good rate, however, and we also indicated—and I think this is important and has to do with what I said earlier about keeping your eye on the longer run—the underlying forces looking towards growth and expansion are strong. So the implication of that was that this slackening would be a relatively short phenomenon, and that the underlying forces—and again, I am not trying to forecast because that is the last thing I am trying to do, but to point to the fact that the longer-term underlying developments which are ultimately going to take hold are strong, for a number of reasons.

**Senator Molson:** We might then have expected to see budgets reasonably closely in balance?

**Dr. Deutsch:** Yes, that would be a reasonable assumption.

**Senator McCutcheon:** A reasonable hope!

**Dr. Deutsch:** Yes, a reasonable hope, or whatever it is.

I should say in this connection—and we must never forget this—that what happens in Canada is very strongly influenced by what happens in the United States. What I have said is on the assumption that similar things will be happening there, but if the United States goes in one direction or another this is communicated to this country. In anything we say we must always have that caveat in the back of our minds, what is going to happen in the United States, because whatever happens there will invariably influence what is going to happen here.

**Senator Pearson:** Does what happens in the United States have any bearing on Europe as well?

**Dr. Deutsch:** Yes, what happens in the United States also has a bearing on Europe, but not as strong a bearing as it has on Canada, because, you realize, 60 per cent of our exports go to that market, something like three-quarters of our imports come from that market, and we have enormous financial transactions with that country, so it is inevitable that there must be very close relationships between business conditions there and here. No other country in the world has that degree of relationship with the United States that we have. What happens in the American economy is bound to be very strongly reflected here. When you are forecasting Canadian developments you are also going to be forecasting U.S. developments, if that is what you are trying to do. That is another reason why I would caution you about the ability to forecast very accurately.

**The Chairman:** Senator Pearson?

**Senator Pearson:** My question is with respect to the figure of 32 per cent of the gross national product that represents government spending. In your opinion, or the opinion of the Council, are we reaching the saturation point so far as government expenditures are concerned? My other question is: How do we compare with other countries in the relationship of our government spending and the gross national product of the country?

**Dr. Deutsch:** In trying to answer that question, Senator Pearson, I should say that when I gave you the figure of total government expenditures as a percentage of the gross national product I was using that as a basis of comparison. When you begin to examine the



significance of that, however, you have to analyse it a bit more, especially when you are dealing with your question as to the saturation point.

Government expenditures are broken down, broadly speaking—for purposes of economic analysis, at any rate—into two groups. Into one group we put expenditures on goods and services—the cost of that which the government uses, namely, labour, capital, and services. The government actually uses these, and therefore they are not available for the private sector. The government has employed the people, and used the capital and services, for its own activities, and they are therefore not available to the private sector. These are what we call expenditures on goods and services.

Into the other group of government expenditures we put what are called transfers, which comprise money that the government merely takes from one sector of the population and passes over to another, without using any goods or services in doing so except administratively.

**Senator Haig:** Pension funds are an example of that?

**Dr. Deusch:** Yes. Old age pension payments are a good example, and so are family allowances. In these cases the government merely takes money from the taxpayers, and pays it out to the old age pensioners. It is a shift of income, and aside from the administrative end of it the government does not use up services and capital.

Now, the significance of government expenditures depends upon how much there is in each category. That is one of the factors.

If you ask: How high can government expenditures of this sort go? I shall have to answer that that is a social question, to a large extent. It depends upon how far you want to go, and how much income you want to transfer from one group to another. That is a social and a political question. The transfer has certain results. It has, in the first place, certain effects. You take money away from certain people, and that may have a certain effect on them. They may not like it. They may change their activities. On the other hand, you give income to others for a certain social purpose. How much of this do you want to do, and why? This requires a social decision, but it may certainly have economic consequences.

In Canada, for instance, we are spending on goods and services 19.3 points of the 32 per cent, and the remaining 12.7 per cent represents other expenditures, or transfers, plus interest on the public debt which is also called a transfer. This shows that the transfer part of government expenditures is a very significant part, and it has been a growing part of the total government expenditures.

**Senator Pearson:** It has been growing faster than the other?

**Dr. Deusch:** No, they have both been growing at about the same rate since 1960, but in the latter part of the 1950's the portion represented by transfer payments grew much faster than goods and services. The percentage for goods and services in 1960 was 18.7 per cent, and in 1966 it was 19.3 per cent. The other was 12.3 per cent, and it is now 12.7 per cent.

**Senator Croll:** May I ask a supplementary question? How do we compare with other countries in this respect?

**Dr. Deusch:** I shall come to that, senator. The country I have here is the United States, which is the one we live next door to. Total government expenditures in the United States—and that is, federal, state, and local—in 1966 amounted to 28.2 per cent of the gross national product.

**Senator Beaubien (Bedford):** That is, as against our 32 per cent?

**Dr. Deusch:** Yes.

**Senator Kinley:** Does that include the war?

**Dr. Deusch:** Yes, that includes the war. I think it is fair to say that our rate of growth since 1960 has been higher than that of the United States, even taking into account the war.

**Senator Leonard:** That is, our rate of growth of government expenditures?

**Dr. Deusch:** Yes. I will give you the figures on the rate of growth of expenditures in 1960 and 1966. The average rate of growth per year has been 8.7 per cent in Canada. That is, all government expenditures have been growing at the rate of 8.7 per cent a year, on the average.

**Senator Kinley:** Percentages can be deceiving.

**Dr. Deusch:** The rate of growth of government expenditures, on the average, has been



8.7 per cent per year. In the United States for the same period for all levels of government the rate of growth was 7.4 per cent a year, and that includes the Vietnam war.

**Senator Beaubien (Bedford):** Can you give us those figures for just the federal government in both cases?

**Dr. Deusch:** Yes, I can give you that too.

**Senator Kinley:** Would not the percentage be the same even though you are dealing with more people. The United States has a larger population. You can be deceived by percentages. One per cent of 100 is one, while one per cent of 1,000 is 10.

**Dr. Deusch:** Yes, I know, but we are talking about rates of change here.

**Senator Kinley:** Yes, and they are deceiving.

**Dr. Deusch:** Rates of change are not deceiving. The rate of growth in Canada has been somewhat larger than that of the United States between 1960 and 1966.

**Senator Kinley:** How do we compare with England?

**Dr. Deusch:** In what way, sir.

**Senator Kinley:** In respect of these services? The United States is the biggest country in the world, except for Russia. How do we compare with countries that have a population similar to ours—countries such as Norway and Sweden?

**Dr. Deusch:** I was going to say that the percentage of government expenditures in relation to gross national product in the European countries is generally higher than it is in North America. Countries like Germany, France and Sweden have a higher percentage than we have in government expenditures. I was comparing our figures with those of the United States, because the United States is next door to us.

**Senator Kinley:** Yes, but they are the biggest country in the world.

**Dr. Deusch:** I do not think that that has anything to do with it—at least, not with what I am talking about here. We are taking the same proportions of the same thing. In the European countries generally, and for some considerable time, government expenditures form a relatively larger part of the

economy than they do in North America. This is true of Germany and Sweden.

**Senator Grosart:** Is the transfer percentage higher in Europe?

**Dr. Deusch:** Yes, I think it is. For instance, in France the social payments are very high, and the same is true of Sweden. In those countries the transfer payments tend to be even bigger than they are here, but I used this comparison with the United States because it happens to be next door to us.

**Senator Pearson:** On the question of saturation you did not say at what level—

**Dr. Deusch:** I do not think there is any theoretical saturation point. You can reach the saturation point at a very low level if you waste most of your money. If you have a system of taxation that is very burdensome, and which is designed in such a way as to harm the economy unnecessarily, you can get a level that is low and at which the saturation point will lie.

The other point is that if you have government expenditures which are efficiently carried out with good use of resources to provide the services the public wants and with a system of taxation which is least damaging to economic incentives, you could have a higher percentage without damage. It is not automatic. I think the test has to be the efficiency and effectiveness with which the resources are used in relation to what people want; that is the ultimate test. It may be that various kinds of services, requirements and so on, cannot be done efficiently by government, but could be done more efficiently by private enterprise, and that if they were done by government the resources would be wasted. On the other hand, if the government undertook them, they might be done more efficiently than by private enterprise. That is the kind of test you have to apply. I say that so far as the use of resources is concerned the government has a great responsibility to use them efficiently and effectively, especially when using an increasing amount, as indeed we are. This presents problems and very serious problems for government.

Governments are always going to be confronted with new things to do. We live in a changing society; we have rapid changes in technology; we also have rapid social changes, such as urbanization, which I have referred to, and there are bound to arise at all times in this kind of complex, ever-changing society new demands on government, and govern-



ments will have to respond to these to do what is necessary. While embarking on these new programs, it is important that they strip out what is obsolete, what is no longer a high priority, and what will no more be needed. There is the rub—how successfully are they doing this? There should be a constant process of re-evaluating what we are doing and what should be stripped out—what is no longer relevant. When things are changing, new things have to be done. I suspect that other things are becoming obsolete by the very nature of things, and they are not necessary any more. We should be looking at these things and saying that we should not be using resources that are no longer efficient because things have changed. This should be done all the time, otherwise we will increasingly use resources ineffectively and foolishly. This is the great problem of government, how to do this effectively, because there is great difficulty in removing things that have once got started, for various reasons. Governments are rigid in more ways than one. Real effort is required to say that we are using the resources ineffectively, that they are continuing to do things that are no longer relevant and needed. This is the great problem in government expenditure. It is not a question of stopping and never doing anything new again, and putting a ceiling on everything; that is no way to deal with problems, because there are things that must be done, and new priorities are arising. It is easy to add things on, but it is not so easy to strip things out; that is the real problem.

**Senator Croll:** Let us take the period 1960 to 1966, which was a period in our country of economic and social growth and development of every kind, and particularly social and transfer growth.

**Dr. Deutsch:** I think government services have grown somewhat as well.

**Senator Croll:** In any event, social and transfer growth have increased?

**Dr. Deutsch:** They have been an important factor in growth, yes.

**Senator Croll:** But the figures indicate that despite the number of things we have done socially and by way of transfer, actually our gross national product has dropped in percentage points, has it not?

**Dr. Deutsch:** It has grown slightly, from 12.3 to 12.7.

**Senator Croll:** Then the charges we hear from time to time in connection with our social growth are really not justified, that we are far exceeding our expenditures on social growth compared to the other parts of the economy?

**Dr. Deutsch:** I think government expenditures as a whole have grown slightly faster than the whole economy, and also transfers have grown slightly faster than the whole economy—not greatly, but slightly.

**Senator Croll:** Are you not thinking of the deficit position, in some respects?

**Dr. Deutsch:** No. Growth in total expenditures in Canada has gone up from 30.9 to 32. There has been a slight increase in the share of GNP. Both goods and services and transfers have increased.

**Senator Croll:** The point I am attempting to make is that there was no overwhelming balance.

**Dr. Deutsch:** There has been no big change, that is right. The growth for education and all urban services has balanced off the other.

**The Chairman:** Senator Burchill?

**Senator Burchill:** I am thinking about the Canadian economy at the present time. As you probably know, bond values have taken a sharp drop in the past few weeks, including Government of Canada issues. When you were discussing the need for a Council was it your idea to make information available or to forecast for the future—was that to be one of the functions? I have read some articles by financial writers attributing this to the fact that the amount of capital required in bond issues, industry and that sort of thing, was underestimated, and that this was the reason for the drop in bond values. Is it your idea that this Council that you suggested would give us some information along those lines?

**Dr. Deutsch:** I think they would be studying the developments taking place that might have a bearing on these questions, but I do not know that they would want to forecast bond prices; I would be surprised if they did.

**Senator McCutcheon:** The drop started the day after the budget.

**Dr. Deutsch:** I think they would discuss the kind of developments taking place in the economy. They would help you to judge the financial markets, sure, but they would not



try to forecast the financial market. For instance, if they were making analyses of the present situation, it would be apparent that there was an increase in the government requirements, for instance, for financing this year compared with last year. If you look at the budget you can see that. They would then say, "Discuss what effect this might have on financing," but that is a different thing from forecasting bond markets—that is merely discussing the underlying developments which would be relevant; this is the kind of information which would be relevant to them in making decisions about financing and so on, if they point out the kinds of change taking place. They point this out and take it into account in the decisions that are made. Any research body would do that kind of work, but if you ask me whether they forecast bond markets and stock markets, that is another thing.

**Senator MacKenzie:** The question I have to ask is a very simple one in a sense. It is whether the Council or some other appropriate body is making a social study, if I may call it that, on the question of the development of rural and outlying populations. Yesterday afternoon we had an interesting debate in the Senate on the Cape Breton coal mining situation. There are those who argue that it is socially desirable that some people should continue to live in Newfoundland, Cape Breton, Nova Scotia, New Brunswick, and even Saskatchewan, as compared and contrasted with all of them pouring into the valley of the St. Lawrence and the coast of British Columbia. Is somebody in Canada having a hard look at this question of the social values and disadvantages of this kind of movement of population? It is different in Russia, I believe, in a sense. It is certainly different in some of the Asiatic countries because they have not got the room.

**Dr. Deutsch:** In the Council we are conducting studies of this process of urbanization. The fourth review will have a whole chapter on urbanization and what is likely to happen in the years ahead in this area. We are looking at the factors which bring this about and the kind of problems it will produce, so in this sense we will discuss some of the problems.

**Senator MacKenzie:** And also the results?

**Dr. Deutsch:** And also the results. We have at the same time also done some work on what is happening in the rural areas, but this

is a very difficult subject and how far one can press this it is difficult to say.

**Senator MacKenzie:** You may remember that Walter Gordon got into some trouble in the Maritimes some years ago by suggesting that everybody should move to Toronto.

**Dr. Deutsch:** I remember it quite well.

**Senator Croll:** It was not quite a suggestion.

**Senator MacKenzie:** I agree.

**Dr. Deutsch:** We are looking at the kinds of problem, both social and economic, that arise from these things. Of course, the social problems can get very philosophical and in this first stage we are not getting very far into the philosophical question of whether it is good for a man's soul to live in Cape Breton rather than Toronto.

**Senator McCutcheon:** It depends whether you are a Cape Bretoner.

**Dr. Deutsch:** We could not go that far, at this stage at any rate, in trying to go into all these sociological and philosophical questions, but certainly we are looking at some of the social problems which are more germane to us.

**Senator MacKenzie:** I do not think your Council should do this, but I think somebody in Canada should be looking at the sociological and philosophical problems.

**Dr. Deutsch:** I know there are some studies going on. We have spoken to one rural sociologist about the effect on people of this kind of thing. I think it is good work, but it involves a lot of considerations which go way beyond any economic expertise, or even a businessman's expertise.

**Senator MacKenzie:** This is why I suggested my question was not really in order.

**Dr. Deutsch:** There are important social aspects that we have to take into account. The sort of social problems that arise with governments and the more important and more immediate social problems we do deal with, concerning the results of urbanization and what this involves for policies. We will be discussing some of them, and also what is happening in the rural areas as a result of this. This is a very important phenomenon in our society.

**Senator Croll:** You keep using the word "phenomenon"; you have used it two or three



times. Why do you use that term? I associate it with unusual happenings.

**Dr. Deutsch:** I do not use it quite in that sense; I am not using it in the sense of a happening.

**Senator Croll:** A phenomenon could be some important happening.

**Dr. Deutsch:** I am using it in a general sense. I am just saying that this is what is happening.

**Senator Croll:** But why is it happening here?

**Dr. Deutsch:** It is happening everywhere, senator, but it is happening here to an even greater degree than in most other places. You ask why?

**Senator Croll:** Yes, why?

**Dr. Deutsch:** People have been interested in this question, and so have we. Why is it happening here at this speed?

**Senator Croll:** Yes.

**Dr. Deutsch:** There are a number of particular reasons. We were accumulating a big backlog of people in our rural areas as a result of the very severe depression. We ended up at the end of the thirties with a very large number of people who were really under-employed in the rural areas, and this was partly the result of the effects of the depression, which were very severe in this country, more severe than in other places. We had a sort of pile-up of people, and in the fifties and sixties this was untangled to a considerable extent. This was one factor. I think it is quite important. This was added to by a relatively high level of immigration during that period; it added to the growth in the cities and practically nobody went to the rural areas; this new addition to the population floated to the cities. Also, I am talking of the people coming off the farms. They came off the farms because of the growing mechanism of agriculture, plus the removal of a backlog which had developed in the thirties in the rural areas.

**Senator Molson:** Following on that, the growing size of the economic unit in manufacturing would have a small bearing on this urbanization too, would it not?

**Dr. Deutsch:** Yes, I think that is right. It appears that the bunching up together in large centres has been growing for some reason.

**Senator Croll:** How are we able to get an economy capable of absorbing both?

**Dr. Deutsch:** Both these flows.

**Senator Croll:** Yes.

**Dr. Deutsch:** We have been able to provide employment for both these flows.

**Senator Croll:** Really we were a remarkable government.

**Dr. Deutsch:** I think this took place over two regimes.

**Senator Croll:** What is your explanation for how the economy was able to absorb it?

**Dr. Deutsch:** In the first place I think that after the war the economy was very liquid—as it turns out, too liquid in many ways. There was lots of money and it was highly liquid after the war. We had reasonable access to capital both at home and abroad. In the early part of the post-war period there was a strong demand for our exports because of war devastation and what-have-you, a lack of food, and we got a big boost out of the development of our resource industries in the fifties. There was a high demand for raw materials and so on, particularly in the United States. The United States had used their raw materials at a rapid rate during the war. They looked over this border for new supplies and there was a shortage of raw materials in the fifties anyway, as Europe was recovering, and we benefited from all of this.

Then, too, as our cities began to grow, they were sort of self-reinforcing to a certain extent. You can take in a lot of one another's washing in these metropolitan areas. There is an impetus in these things. Once you get a conglomeration going there is almost a self-reinforcing growth.

**Senator Molson:** So long as the money was there.

**Dr. Deutsch:** So long as capital was there, yes. We had access to capital both at home and abroad. We had a liquid monetary system, which, unfortunately, resulted in price rises, but we had access to outside capital and we were able to finance this kind of expansion and growth.

Also, I might say we brought in during the forties and fifties a great amount of skill in our immigration. It is amazing how much skill we brought in from western Europe: engineers, architects, doctors and so on. There was a great deal of immigration, which



played a very important part in manning this growth in the forties and fifties.

**Senator Kinley:** We need more yet.

**Dr. Deusch:** Yes, we need more skilled people.

**Senator Kinley:** If there were no primary industries, there would be no secondary industry.

**Dr. Deusch:** Yes. I am not downgrading the primary industries, sir.

**Senator Kinley:** I would not like the impression to get out that farming was in decay, because the production is bigger now than it ever was.

**Dr. Deusch:** We have fewer people on the farms and they are producing more.

**Senator Kinley:** That is a good thing.

**Dr. Deusch:** Yes. Nobody has turned in such a good job as have our farmers.

**Senator Kinley:** It takes seven men in the air force to put one man in the air. But one farmer keeps a lot of people alive.

**Dr. Deusch:** Oh, yes. I am not trying to downgrade the importance of agriculture or food growth. It takes fewer people now. That is all I am saying.

**Senator Aird:** I would like to ask a general question about productivity. I think it was in your first report that you discussed certain percentages about man hours and so on. I have taken note of some of your own comments concerning the Canadian performance relatively. I wonder if you would like to comment at this time, generally, on Canadian productivity?

**Dr. Deusch:** Well, I think the level of productivity and the rate of improvement is something that causes us concern in this country, in terms of doing what we think would be desirable to do and to achieve our productivity aims. It is not as good as it should be, either in its level or in its rate of improvement.

We are very much concerned about the causes of this. Why is this so? Therefore, we are carrying on a series of studies in this area and in our various reports we have looked at the various phases of it, as you know.

First of all, you must realize that productivity is a very complex matter. It is not an

easy thing to analyse. What causes productivity or improvements in productivity or determines the level of productivity comprise a very complex subject. There is no simple answer to the questions involved, because many factors combine to determine the kind of productivity we have.

In the Council we have been trying to sort out which of these factors are important in Canada to explain our position. We have then taken a closer look at these to see how they can be improved. This is what we are doing. It is a very difficult thing, and not something which we can do quickly. However, one by one we are looking at some of the more important facets of this problem. We have looked at some already, as you know, in our very first review.

For example, we were very much concerned with our general manpower policy. This is a very important factor in productivity. We made quite a large number of recommendations there, many of which the Government has adopted. This should help.

Then, in the second review we looked at our whole educational picture, because education and skill of our population is basic to its productivity.

Now, of course, education has more purposes than productivity. We all know that, but the level of productivity does depend to a very considerable degree on the level of training and education of the working population and the whole population generally.

We have to look at where we stand in Canada in these matters. Are we improving fast enough? If we find certain deficiencies then we must make strong recommendations concerning them. I think such recommendations have a useful effect, because many of our recommendations have been adopted.

Now, we are looking at other facets. We are looking at the whole question of the scale of our industries and their efficiency. Are we organized efficiently in regard to the scale of the industries?

We are looking at such questions and we will have something to say concerning them in our fourth review. We are looking at what needs to be done, if we are going to get better results. We are looking at various other phases, such as skill in management, which is very important. We are also looking at the technological aspect of our position.

General attitudes are also important. I mean the attitudes of everybody, manage-



ment, labour and everybody else; our willingness to innovate, willingness to take risks, and willingness to try new things. All these things effect productivity. They are therefore important.

The matter is very complex. We need to look at our position in these things, if we are going to improve. And improvements cannot be made fast. These things cannot be done overnight. Obviously we are dealing here with very fundamental things which take time.

Also, you have the important question of capital and the availability of capital. Is the right kind of capital available at the right time? Amounts are important too. If you have not got enough capital, then you cannot do various things. You cannot incorporate your new technology if you cannot raise the capital, and so on.

These are all things affecting productivity. You can see that it is a very complicated matter.

**Senator Aird:** Is it fair to say that this will be the main theme of your fourth report?

**Dr. Deusch:** This runs through every report. The main theme of the fourth report is another look forward. We did the first review up to 1970. We are now going to take a look forward in some respects to 1975 and to the 1980's. We are going to have a discussion of the main trends operating in those years.

There is no magic answer to this productivity problem, you know. You don't just wake up some fine morning and say, "We are going to do something about productivity tomorrow," and *ipso facto* get a big increase. That is not the way.

The problem is much more fundamental than that, and we need to tackle the problem in all the important places. Therefore, it will take time.

**Senator Croll:** We are going to regret that you are not around to tackle the problems.

**Senator Isnor:** During the past year, did you study the operations of the Crown companies in which the Government has investments of \$635 million?

**Dr. Deusch:** No.

**The Chairman:** Are there any further questions?

**Senator Yuzyk:** I have one question. In general, what are the effects of taxation on the economy? We have various types of taxa-

tion, income tax, corporation tax and sales tax.

For instance, the sales taxes have come up in recent years. This has been done by the provinces. Surely that must have an effect not only on the general economy but on certain sectors of the economy, and I am wondering what effect such taxes would have on the particular sectors or businesses. For instance, when governments bring about these taxations in order to get moneys for education and social services and the like, is it evident that some of these taxes, sales taxes, have an effect on certain types of economy?

**Dr. Deusch:** Well, they could have, Senator. It depends on what they fall on, you know. If they fall on costs of production, or things that go into costs of production, they will raise the cost of production. If they do not, then that is a different matter.

**Senator Yuzyk:** But you are keeping an eye on that situation, are you?

**Dr. Deusch:** Yes we are making a study of that.

**Senator Yuzyk:** That is what I wanted to know.

**Dr. Deusch:** Yes, we watch that. For instance, a tax on machinery and equipment is going to raise the cost of machinery and equipment. It would have an effect on the cost of production.

**Senator Yuzyk:** But I am speaking of a general sales tax.

**Dr. Deusch:** Again its effects depend on what its impact will be. It depends what it falls on. If it falls on everything, then you would have to see to what extent it hits goods that go into the cost of production. Some of them would hit the consumer because the consumer pays them in the first instance. If they fall on certain goods, they may reduce the consumption of those goods in relation to other goods. You would have to take every case and examine it. The purpose of a tax is, of course, to raise money, and it takes money away from the people and gives it to the Government who in turn spends it on something else. It will also have some effect on the people who have to pay it. But there again the effect it will have depends upon the items that it falls on. If it falls on certain things where the demand can be reduced because of price increases, then the demand will be reduced. If it falls on things where the quantity



demanded is not much affected by price change, such as basic foods, it may not affect consumption, but the consumer has to pay a greater price. You have to look at what economists call the elasticity of demand in order to assess what effects might occur, and you cannot give a simple answer to that question.

**The Chairman:** Since there are no further questions, before I ask you to move the adjournment, I want to refer to the important suggestion made by Dr. Deutsch about the report of the Economic Council which is to be studied by a joint committee of both houses. Now this is something we are going to do, but in the meantime it might be a good idea to

have a copy of this report sent to every member of the committee. If you are agreeable to this, I shall ask the clerk of the committee to see that this is done.

I am sure honourable senators will agree that we had a most interesting meeting and will wish me to convey on their behalf our thanks and appreciation to Dr. Deutsch.

**Hon. Senators:** Hear, hear.

**The Chairman:** We want to thank him particularly for his kindness in being with us this morning and also for the enlightening and informative evidence he has given us.

The committee adjourned.



Second Session—Twenty-seventh Parliament  
1967

**THE SENATE OF CANADA**  
**PROCEEDINGS**  
**OF THE**  
**STANDING COMMITTEE**  
**ON**  
**FINANCE**

The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

No. 3

*Fourth Proceedings on The Estimates*  
laid before Parliament for the fiscal year ending 31st March, 1968,  
including *Supplementary Estimates "A"*.

FRIDAY, JULY 7, 1967

WITNESS:

*Treasury Board*: Dr. Geo. F. Davidson, Secretary.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1967



THE STANDING COMMITTEE  
ON  
FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird	Leonard
Aseltine	Macdonald ( <i>Brantford</i> )
Baird	MacKenzie
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	Méthot
Belisle	Molson
Benidickson	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax-North</i> )	Phillips
Croll	Pouliot
Denis	Power
Deschatelets	Quart
Farris	Rattenbury
Flynn	Reid
Gélinas	Roebuck
Gershaw	Savoie
Grosart	Smith ( <i>Queens-Shelburne</i> )
Haig	Thorvaldson
Hayden	Vaillancourt
Hays	Vien
Isnor	Welch
Kinley	Zuzyk (47)

*Ex Officio members:* Brooks and Connolly (*Ottawa West*).

WITNESS:

Treasury Board: Dr. Geo. F. Davidson, Secretary

MIN ORDERS OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative.”

Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative.”

J. F. MACNEILL,  
*Clerk of the Senate.*





## MINUTES OF PROCEEDINGS

FRIDAY, July 7th, 1967.

(3)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 10.00 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Baird, Benidickson, Croll, Denis, Grosart, Hayden, Isnor, Leonard, MacKenzie, O'Leary (*Antigonish-Guysborough*), Phillips, Quart and Thorvaldson. (14)

*In attendance:* R. J. Batt, Assistant Law Clerk and Chief Clerk of Committees.

The Estimates laid before Parliament for the fiscal year ending March 31st, 1968, and Supplementary Estimates "A", were considered.

The following witness was heard:

*Treasury Board:* Dr. Geo. F. Davidson, Secretary.

The Chairman, on behalf of the members present, thanked Dr. Davidson for his appearance before the Committee.

At 12.00 Noon, the Committee adjourned to the call of the Chairman.

Attest:

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE

### STANDING COMMITTEE ON FINANCE

#### EVIDENCE

Ottawa, Friday, July 7, 1967.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1968, met this day at 10.00 a.m.

**Senator Jean-Paul Deschatelets** in the Chair.

**The Chairman:** Honourable senators, we have a quorum, may we come to order? I understand that a copy of Supplementary Estimates (A) has been distributed. Honourable senators will recall that these supplementaries were referred to this committee for consideration.

Our order of reference today is first, to examine into the expenditures set out in Supplementary Estimates (A). Secondly, we have Appropriation Act No. 5, 1967, which grants full supply for ten departments; and then an interim supply bill, known as Appropriation Act No. 6, which provides generally for four-twelfths of the total of the amount of the main Estimates, which will take care of expenditures until the end of October 1967. This is our agenda this morning, and I hope honourable senators will agree that it might be desirable to proceed, first of all, with the items we have not had a chance to consider yet, that is Supplementary Estimates (A).

In order to cover as much of the field as possible, may I ask your co-operation in directing your questions on the specific item mentioned in the document you have before you. In order to give us all the explanations we need and desire, I am very happy to welcome on your behalf Dr. George Davidson, and his assistant, Mr. J. G. Glashan. Is it agreeable that we proceed immediately with Supplementary Estimates (A)?

**Hon. Senators:** Agreed.

**Senator Grosart:** Before proceeding with them, Mr. Chairman, could you tell us exactly what will be before the Senate this afternoon?

There seems to be a change in the original suggestion.

**The Chairman:** We are going to proceed, first of all, I understand, with consideration of the interim supply bill and Supplementary Estimates (A). This is the matter we are going to discuss as the first item this afternoon.

**Senator Grosart:** But my understanding is that we are going to ask for eleven-twelfths; is that correct?

**The Chairman:** No, we are going to be asked in the interim supply bill to vote four-twelfths of all the items in the main Estimates which will take care of expenditures until the end of October. There are some items in the bill for which more is being asked. Dr. Davidson will give the reasons for this. Generally, it is four-twelfths.

**Senator Leonard:** There will be no final supply on any item?

**The Chairman:** No, except of course for the ten departments which were voted in full by the other place and which we ask be passed.

**Senator Leonard:** Even on those, does the supply bill grant twelve-twelfths?

**The Chairman:** Twelve-twelfths, yes, for those ten departments.

**Senator Leonard:** That did not appear in yesterday's House of Commons *Hansard* and I was wondering why. Is there a further bill to come?

**Dr. George Davidson, Secretary of the Treasury Board:** Mr. Chairman, honourable senators, there will be two supply bills passed on from the House of Commons to the Senate for this afternoon. One, if approved, will be known as Appropriation Act No. 5, 1967. This will grant full supply for a number of departments, ten departments altogether—and the Atomic Energy agencies in addition, the names of which I can give you if you wish, at



the appropriate moment. Those departments have been completely dealt with so far as their main estimates are concerned, by the House of Commons, either in standing or special committees or in committee of supply in the house itself.

The only thing which will remain in respect of those ten departments and agencies will be the supplementaries, if any, which are included in the supplementary Estimates.

There will be a second bill, which will ask for approval of interim supply up to the end of October for all of the other departments and agencies which are not covered in the first supply bill.

The interim supply bill, in addition to asking for supply up to the end of October for all the remaining departments and agencies other than the ten, will also ask for extra proportions in respect of certain individual votes, about 10 in number, which I will be glad to explain, if desired. In addition to that, it will ask for seven-twelfths—that is, up to the end of October, again, on all of the supplementaries—and again, in a few instances in the supplementaries it may ask for more than seven-twelfths for special reasons.

**The Chairman:** If you permit me, Dr. Davidson, the seven-twelfths for the supplementary items—is the reason to bring the supplementaries in line with the seven-twelfths for the other remaining items?

**Dr. Davidson:** That is correct, senator. In respect of the remaining estimates, three months supply have already been granted and we are asking for an additional four, to the end of October. Since the supplementaries were only tabled a week or so ago, we are asking for seven-twelfths for them—three twelfths to bring them on to the same basis as the items in the main estimates for which three-twelfths have already been granted, and four-twelfths to bring them to the end of October. That is because we do not know that we will be in any sure position to come back to Parliament for any further supply in respect of the main or supplementary Estimates, before the end of October.

**Senator Grosart:** Therefore, on those ten departments, you will get twelve-twelfths for the main Estimates and seven-twelfths for any supplementaries that apply to those departments?

**Dr. Davidson:** With the possible exception of one or two items, where we might be asking for more than seven-twelfths in the supplementaries.

**Senator Leonard:** Perhaps, to clear my own mind, in the House of Commons last evening apparently the only bill that went through was the bill on interim supply.

**Dr. Davidson:** No, senator. I was there.

There was no debate of any kind, so far as supply bills were concerned, because the order of the house said that at 9.30 full supply for ten departments, and interim supply for the rest should be voted on forthwith. The chairman of the committee ruled, and was supported in the ruling, that this meant that there could be no debate on the resolutions or on the bills before the house. The two supply bills passed through all stages without debate last evening.

**Senator Leonard:** Thank you. I read it rather hurriedly. I missed that.

**The Chairman:** If there is no other question, we could ask Dr. Davidson to begin the explanation of Supplementary Estimates (A) which you have in front of you.

**Dr. Davidson:** Mr. Chairman and honourable senators, the committee may recall that when I appeared before the committee on the explanation of the main Estimates, I drew attention to the fact that a substantial number of items had been included in the main Estimates which had traditionally been included in later supplementaries. The purpose of this was that thereby we could present at the beginning of the year as complete a picture as possible of all the requirements for the year ahead.

I said at the time that there was something of the order of \$353 million in the main Estimates that would normally have appeared in the supplementaries and that I hoped that, as a result of this effort to present a more complete picture to Parliament in the main Estimates, we would be relieved correspondingly of the necessity of coming back to Parliament for supplementaries as large in amount as we had previously been coming for.

I come to you now to say that up to the present moment at least we are able to say that we are achieving in large part our objective. This is the lowest amount by way of supplementaries that has been requested at this stage of the fiscal year for a considerable number of years. I have in front of me a table that shows, back to 1962-63, the amounts that were asked for in the first supplementaries for each fiscal year. The \$49 million that we are asking for in the present supplementary list is the lowest for any of the last six years.



I have also in front of me the figures for 1949-50 showing that in that year the first supplementaries were of the order of \$63 million, against \$49 million this year.

Therefore I think we have made modest progress—although not as good progress as I should have liked—towards achieving the objective we had set for ourselves, when we decided to present as full a statement in the main Estimates of our total expenditure plans for the fiscal year as it was possible at that time to forecast.

I will not say to the committee that this represents all the supplementary requests which will come before Parliament in the course of this year, because I know differently. I do think, however, that on the basis of everything we know at the present time, we will be able to report at the end of this fiscal year that our objective of reducing substantially the amounts of money that we have to ask Parliament for by way of supplementary Estimates will have been achieved in this fiscal year.

**Senator Isnor:** What do you attribute that to? Is it to economy to a greater extent, or to sticking more closely to the figures?

**Dr. Davidson:** I would not try to delude you for a moment, Senator Isnor, by saying this represents economy. What it does indicate is that we have broken from the tradition of past years, following which we have omitted from the main Estimates and included in the supplementary Estimates substantial items which we knew from the beginning of the year we were going to need. There are the Agricultural Prices Support payments, for example; these are reimbursement payments to the Agricultural Products Board Account; also the items which relate to payment of railway deficits, and other items of that kind which it has been the tradition to make up at the end of the year rather than provide for at the beginning of the year.

We have simply recognized that we were, in a sense, deceiving ourselves when we pretended that the main Estimates represented the complete picture for the entire fiscal year. In fact, we knew differently.

**Senator Isnor:** It gives a somewhat truer picture?

**Dr. Davidson:** Certainly this gives you a more accurate and complete picture.

**Senator O'Leary (Antigonish-Guysborough):** You gave a figure for 1949-50 as compared

with this year. What was the figure for 1964-65?

**Dr. Davidson:** I will give the whole list, Senator O'Leary:

Year	Amount
1961-62	\$ 63,000,000
1962-63	148,000,000
1963-64	230,000,000
1964-65	71,000,000
1965-66	186,000,000
1966-67	295,000,000
	(in June supplementaries)
1967-68	49,000,000

I would urge members of the committee not to attach too much importance to this reduced figure.

**Senator Isnor:** Why not?

**Dr. Davidson:** Because we have already provided in the main estimates \$353 million worth of expenditures that we would ordinarily have been coming forward for some time during the year, and we will be back for additional supplementaries as the year proceeds.

**Senator Leonard:** Nevertheless, this is the type of procedure that this committee, at past meetings, has suggested might reasonably be followed.

**Dr. Davidson:** That is correct. All that I am saying is that while we have made a useful start this year, we still have something to improve on in a following year. We must continue our efforts to include as much as possible of the government's total requirements in the Main Estimates presented to Parliament for approval at the beginning of each fiscal year.

Our objective should obviously be to make provision for all that is known and foreseeable at main Estimates time, and to reserve for supplementary provision, items which come up in the course of the year on which decisions have to be made in the course of the year, as well as items involving emergency provision which were legitimately unforeseen and unforeseeable at the time of the presentation of the main requirements.

You will notice, then, from the Supplementary Estimates (A) before you that our supplementary requirements at this point in the year will be \$49,175,118, which, added to the main Estimates, brings the total of budgetary Estimates requests up to \$9,584,307,702.



You may recall that Mr. Sharp, in his budget speech, forecast an actual expenditure figure this year—not an estimate figure but an actual expenditure figure—of \$9.7 billion. This is a useful point of reference in relation to where we are standing now by way of requests for appropriation authority.

**Senator Thorvaldson:** That, of course, does not include the Old Age Pension Fund, and perhaps there are some other items also not included.

**Dr. Davidson:** That is correct. This includes only the provisions made by way of budgetary appropriation. It does not include the Old Age Security Fund, which is funded separately as a non-budgetary account. The Unemployment Insurance Fund is likewise funded as non-budgetary. These accounts are set up separately from the budgetary accounts in the Consolidated Revenue Fund. This is only that total which is provided by way of budgetary Estimates, through appropriations granted by Parliament, or by appropriations authorized by statute, which are, therefore, automatically provided without the necessity of further parliamentary appropriations to authorize them.

You will notice that in addition to the budgetary items there is a requirement for Loans, Investments and Advances of \$46,334,108, details of which are tabulated on pages 11 to 13. This, if I am correct, will bring the requirements so far as loans, investments and advances are concerned to a figure somewhat higher than last year. The figure with which we started for loans, investments and advances was lower than last year, but this brings it up slightly higher.

**Senator Grosart:** What is the total to date on Loans, Investments and Advances?

**Dr. Davidson:** The total is \$625,635,608.

**Senator Isnor:** Will the figures to be invested, and I deliberately use the word "invested", in the Cape Breton Development Board be included as part of your Estimates?

**Dr. Davidson:** Not at this stage. I am not certain whether the act has in fact been proclaimed yet. In any event, if I recall correctly, the legislation itself contains within it the statutory authority to provide the loan, and, if that is provided in the statute, it is not necessary to ask Parliament, which passed the statute, to authorize the loan over again. I am not sure that you have followed me, Senator.

**Senator Isnor:** So far as that goes, yes; but I wonder how you would show that, though? That is an advance, is it?

**Dr. Davidson:** No, that would be an investment.

**Senator Isnor:** An investment?

**Dr. Davidson:** Either an investment or a loan. I would have to qualify my answer to that. It would not be an advance. It would be either a loan or an investment.

**Senator Thorvaldson:** In regard to that, Dr. Davidson, a bill was passed a few months ago concerning the film industry. I cannot think of the name of the bill at the moment.

**The Chairman:** That was for \$10 million, I believe.

**Senator Thorvaldson:** Yes. As I understand it, that provided for an advance or a loan of \$10 million to that corporation, whatever it was. That would be one of the items about which you are talking, would it not?

**Dr. Davidson:** If that has been authorized by the bill that Parliament provided, that loan does not have to be authorized a second time. Therefore, it would not show up in Loans, Investments and Advances here. The only loans, investments and advances that we are listing here and asking you to approve are loans, investments and advances for which there is no legislative authority, other than that which will be involved in your approving this now.

**Senator Grosart:** Is anything being done to make the title more realistic? In other words, to take out the grants and show them as grants?

**Dr. Davidson:** I would have to say to that, Senator Grosart, that we do not include in loans, investments or advances anything that we consider to be grants. This is perhaps dodging your question. Actually, we are talking about the same thing, though, you say that they should be called grants and I say they are called advances. For example, take all the advances made to Expo; I do not think it is any secret that a good portion of them will turn out to have been grants, and will eventually have to be written off as expenditures. A good portion of the loans and advances made to Expo will not prove to be recoverable. We have also made substantial loans to the National Capital Commission for the acquisition of the Green Belt property, and



property in the Gatineau. There is a difference of opinion among the accountants as to whether those should be set up as loans, with the N.C.C. being required, in theory, to pay interest on those loans and to repay the principal to the Government as the property is put into use, or whether they should simply be absorbed in the course of the year as outright expenditures by the Government of Canada and not dealt with by way of loans.

Now, this is a question of accounting on which, obviously, there are differences of opinion between the Auditor General, for example, and the Department of Finance.

**Senator Grosart:** And the Public Accounts Committee? The Public Accounts Committee has been asking for this for a long time.

**Dr. Davidson:** Yes, but, to state it quite frankly, the Government has not accepted the view of the members of the Public Accounts Committee up to the present time that their point is valid.

**Senator Grosart:** Do you not think it would make more sense, make these Estimates more realistic, if the loans, investments and advances which were clearly not recoverable were shown as such?

**Dr. Davidson:** That all depends, really, Senator Grosart. I am quite serious in answering this objection, it all depends on what it is you are trying to do. One theory, and this is one you would advocate, is that, if you are making to an organization an advance that you know you have little or no prospect of recovering, you should make it as a grant; write it off as an expenditure and be done with it. That is the practice followed with respect to the departments of Government themselves. But when you set up a Crown corporation or a separate agency, there is another viewpoint, and that is that the accounts of the separate agency—whether it be the C.B.C., the C.N.R. or Air Canada, the National Capital Commission or Expo; whatever Crown corporation it might be—these Crown corporation accounts should be maintained in a form that will show to the people of Canada the true cost, the full and complete cost, of having created that Crown corporation and of having put it in funds to provide service to the Canadian people.

Now, if you follow this argument, and this is an equally valid concept from the accountants' point of view, if you loan the C.B.C. money or put the C.B.C. in funds to build a building, you do not simply build a building

for them and give them the building. Neither do you give them \$50 million or \$75 million as a gift and write it off to expenditures, because, if you do that, it will not reflect in the future the true, all-in cost of carrying the C.B.C. as an operation. You will follow the formal business practice of lending that money to the C.B.C. as a capital investment, requiring the C.B.C. to set it up on its books as a capital investment and requiring the C.B.C. to amortize that investment by repayment of the interest on the loan and the capital back to the government which lent the money in the first place.

Now, at this point you will arrive at a slightly ridiculous position, from some points of view, because, the C.B.C. having insufficient funds of its own, the Government of Canada, which is the lender, has to appropriate money to the C.B.C.'s operating budget to enable it to repay the loans and the capital that the Government loaned to the C.B.C. in the first place, and at this point some will argue, "Well, of course, this is a ridiculous situation."

It all depends on whether you want your Crown corporations' books to be maintained in a form that will reflect the true cost, or whether it is decided to revert to the simpler, but from a cost accounting point of view, I think, less accurate presentation of the picture by giving money and not referring to it as a loan and not collecting interest on it.

**Senator MacKenzie:** Does this practice achieve any economy on the part of the corporation?

**Dr. Davidson:** I would be very doubtful that it achieves any economy. What it does, and the only thing it does, in my opinion, is it shows to Parliament and to the people of Canada the true cost of having created the C.B.C., as an example, or the C.N.R., and the cost of having built facilities, and the cost of having provided the money that is required for those facilities. If you borrow \$75 million to build a building for the C.B.C., you are either going to have to carry the cost of that borrowing in the Finance department Estimates or you are going to have to carry the interest cost in the C.B.C. Estimates.

**Senator Isnor:** Where it belongs.

**Dr. Davidson:** You can take your choice, but if you want to get a true picture of what the creation of the Canadian Broadcasting Corporation or the C.N.R. is costing the people of Canada, the logic is that you charge the cost of financing that structure to the corporation which owns, operates and uses it.



**Senator Isnor:** Is that a fair comparison? Do you think it is fair to compare the C.N.R. and the C.B.C.? One is for the purpose of giving service to the general public.

**Dr. Davidson:** Which one is that?

**Senator Isnor:** That is the C.B.C. That is my contention anyway, that it is giving a service while the other is an out-and-out business proposition. That is the C.N.R. That is why I brought up the question of the new Cape Breton Development Corporation. I think that should be put on a sound business basis.

**Dr. Davidson:** Let us take the Cape Breton Corporation. Should that corporation reflect the true cost of this entry by the Government into this enterprise by having the corporation carry the cost of its own financing? Or, what part of the costs of setting up and operating the Cape Breton Development Corporation should be carried on the books of the corporation and what part of it should be hidden in the national debt—which is what would happen if these funds were provided on anything other than a loans and investment basis? Now, from the point of view of the Treasury Board, which is the agency which is concerning itself with the preparation of the Estimates, it does not matter all that much. We can do one thing or the other, but from the point of view of members of Parliament one alternative or the other is desirable depending on what it is that you really want the accounts of the nation to reflect.

**Senator Grosart:** After Expo is closed, how long will you carry the \$143 million?

**Dr. Davidson:** Senator Grosart, you are obsolete.

**Senator Grosart:** That is the last figure that appeared in the public accounts.

**Dr. Davidson:** It is not the last figure that will appear. This is a matter that has to be decided, Senator Grosart, and I am not at the moment competent to give a firm answer. My own feeling is that this will be written off over a relatively short period of years, and that you will see in the budgetary Estimates each year—and I use this purely as a figure taken out of the blue—items of possibly \$50 million annually to write off to expenditure that much of the cost of Expo. This will be done each year until the net federal share of the cost of Expo has been completely written off.

**Senator Grosart:** Why not write it all off at once when you know it is not going to be repaid?

**Dr. Davidson:** Well, it is really a question of choosing how you do it.

**Senator Grosart:** What then is the purpose of breaking out these loans, investments and advances as a separate section in the Estimates?

**Dr. Davidson:** Because we are not asking you to appropriate money to be spent and charged to budgetary expenses for these purposes. We are asking you to authorize the Government of Canada to lend or invest or advance this money, some of which will be a profitable investment, while at the same time recognizing that some of it will be non-profit-making. If the non-self-sustaining investments eventually have to be written off, we have to come back and include funds in the Estimates and ask for authorization to have a loan item changed to an expenditure item, because this is what would be involved.

**Senator Grosart:** That is the point I am making; why not do it at the start for those items that you know of, and why not separate them in here according to the instrument under which the loan, investment or advance is needed? Then the instrument will show whether there is any realistic hope of recovery of interest or payment of interest.

**Dr. Davidson:** I don't think you can really do that. I must say, Senator Grosart, that I think this argument of yours has relevance when it comes to dealing with the asset and liability statement in the public accounts. I think it is very relevant there, particularly when you are deciding what you should list as a realizable asset; to the extent that some of these loans are not realizable assets, they should probably be written down when they appear in the statement of assets in the public accounts. However, I cannot agree with you when you suggest that we are in a position to know in advance all of these items, which ones are going to be good investments and which are going to have to be written off, and that we should decide at the beginning to write them off rather than defer them until later. If you accept that situation at the very beginning and decide that certain items are unrealizable, then you have relieved the agency concerned of any substantial obligation or incentive to make repayment.



**Senator Grosart:** What I meant to say was why don't we write off those that we know are not realizable?

**Dr. Davidson:** You mean all at one time?

**Senator Grosart:** If we know they are not realizable, why don't we do that?

**Dr. Davidson:** Because in terms of presenting an orderly year-to-year picture of budgetary expenditures, I think it would create an unduly high level if you decide to write off loans to the C.B.C., the Canadian National Railways, the National Capital Commission, and Expo all in one year. The same argument applies to actuarial deficits which are created in the various superannuation funds whenever there is a substantial salary increase. Whenever we award a substantial salary increase, this action has the effect of creating a substantial actuarial deficit in the superannuation fund, and we make up that deficit over a five-year period by asking Parliament to appropriate for each one of the succeeding five years one-fifth of the actuarial deficit so created. If you were to ask me what we should do about Expo, I would be inclined to suggest that we should do something along the same lines. But to write off all the costs involved in any one budgetary year would have the effect of greatly distorting the year-to-year pattern of budgetary Estimates and expenditures as reflected in the Estimates presented to Parliament.

**Senator Grosart:** I suggest to you it might be the very opposite, Dr. Davidson. We are going to spend this money in this particular fiscal year, or in two fiscal years, on Expo, so what is the difference between charging that off to Expo and charging off, as you would, grants to, say, a county fair some place?

**Dr. Davidson:** Well, "You pays your money and you takes your choice!" It seems to me that Expo is not a one-year expenditure in the accounts of the Government and the people of Canada. It seems to me that Expo is an expenditure of the type that the Government of Canada is justified in spreading over a period of years.

**Senator Thorvaldson:** I quite agree. We might have some unexpected windfalls with regard to the recovery of the costs of the capital assets of Expo.

**Dr. Davidson:** That is correct.

**Senator Thorvaldson:** Similarly in regard to the Canadian National Railways. Conceivably,

it might become a very profitable enterprise in the next few years. Air Canada certainly is. I quite agree you would be in the guessing game if you decided to write off huge amounts without giving them the chance to be returned.

**Dr. Davidson:** I am very grateful for your help, Senator Thorvaldson. One of the cases used in support of Senator Grosart's view is the National Capital Commission. The argument is advanced, "Why don't you simply charge to expenditures the \$40 million or \$50 million, or whatever it was, that it cost to buy the land in the Greenbelt?" One of the answers is that that is a capital asset. This is not simply an expenditure that is "down the drain" as other expenditures would be that are eaten up in the course of a year. The \$40 million-worth of property the National Capital Commission acquired on the basis of \$40 million of loans that were advanced to it by the Government of Canada is probably now worth, say, \$70 million. The property we now hold is probably worth more than the money paid for it.

**Senator Thorvaldson:** Applying that to the very first item under "Loans, Investments and Advances," there is an item of advances to Atomic Energy of Canada Limited in the amount of \$16,400,000. I presume that is money advanced for the creation of capital assets?

**Dr. Davidson:** Yes. That money is money advanced to Atomic Energy of Canada Limited to enable it to advance to Deuterium of Canada Limited—which is the heavy water plant down at Glace Bay—funds sufficient to make it possible—

**The Chairman:** This is page 11.

**Senator Thorvaldson:** Yes, page 11, I am sorry.

**Dr. Davidson:** —for that company to cope with the problem of financing its first year's production of heavy water. This amount is sufficient to cover the entire cost of the first year's production, and is repayable out of the earnings of the corporation, with interest. So, it is a completely recoverable item so far as Atomic Energy of Canada Limited is concerned and so far as the Government of Canada is concerned.

**Senator Thorvaldson:** So this is not an item that is going to be lost; it is going to represent a return eventually—anyway, we hope it will.



**Dr. Davidson:** I am reasonably sure this is a completely recoverable item, but one can never be absolutely certain.

The next one, of course, is simply a revolving fund item and is, in effect, a working capital advance. The Defence Production revolving fund is used for the purpose of advancing payments in respect of travel accounts, transportation and accommodation accounts, on a fully recoverable basis.

The next one represents advances to provincial governments, chiefly in this case to the Province of Newfoundland, to enable them to finance power projects, and this is completely recoverable.

**Senator Baird:** Or you hope it is.

**Dr. Davidson:** Well, we are reasonably satisfied, with the experience that we have had to date with advances made under the Atlantic Provinces Power Development legislation. We have had a good experience with that.

**The Chairman:** In the books, all these loans, investments and advances, are they carried with interest charges and principal?

**Dr. Davidson:** I am in the middle of trying to wrestle with this problem right now. The policy of the Finance department, as I understand it, is that as a general rule loans are interest-bearing. Certain kinds of advances are not interest-bearing. Advances such as the advance to Atomic Energy of Canada Limited would be interest-bearing because it states, "—subject to such terms and conditions as the Governor in Council may approve," and I may say it is the intention to approve that as an interest-bearing arrangement.

On the other hand, the next item, Defence Production, setting up a revolving fund in Defence Production, would not be an interest-bearing advance. The Energy, Mines and Resources advances under the Atlantic Provinces Power Development Act would be interest-bearing.

The next item, Finance, a \$10 million authority to purchase Expo bonds, Expo debentures, these debentures of themselves are interest-bearing.

Senator Grosart, I would not like you to think that I think there is only one side to this argument. I assure you that I see both sides of the argument and could equally well support one or the other. However, I think it is important that the members should know what the two sides of the argument are, and then they

should judge for themselves which one makes more sense in the circumstances.

**Senator Grosart:** I will not pursue the matter any further, except to ask if it would be feasible, in view of the title, "Loans, Investments and Advances," to designate them as to whether they are loans, investments or advances. That precise terminology is obviously deliberately avoided here—and I am not saying it should not be.

**Dr. Davidson:** I think there is confusion as to the use of these terms, and I will certainly undertake to see if we can bring any clarity into the use of these terms. They may be governed, to some extent, by a purely legalistic requirement of certain vote wordings or authorities given in the relevant legislation. For example, I think you will find that under the Atlantic Provinces Power Development Act the Governor in Council is authorized to make advances and that this is the exact expression used in the legislation. It may be that the Governor in Council is not authorized to make loans as such under this Act and if that is the case it may possibly be more appropriate to use the word "advances".

**Senator Croll:** Should not you avoid the term "grants," because of the comfort this gives to the people who get it and the difficulty they may have in repaying? I think you are always better off to avoid that word, if in the end it turns out to be a grant, but otherwise it is always on the basis, "We will collect what we can, and if we cannot, we know what we can do."

**Dr. Davidson:** There is no reference to "grants" in "Loans, Investments and Advances."

**Senator Croll:** I am suggesting you avoid its use. It would be a little difficult if Expo came under "grants." Then you would not even recover a postage stamp.

**Senator Grosart:** I think some of them are grants. That is my point.

**Senator Croll:** They turn out to be.

**Senator Phillips:** May I ask a question under a different item—Public Works?

**The Chairman:** What is the item?

**Senator Phillips:** Vote 5a, page 7. In a discussion recently with the Department of Public Works, I found that the officials are not



too happy with the pattern developing in rental accommodation. Certain departments feel they are entitled to, shall we say, prestige accommodation—Treasury being one of the worst offenders, Dr. Davidson.

**Dr. Davidson:** The Treasury, or the Treasury Board?

**Senator Phillips:** The Treasury.

**Dr. Davidson:** That is not the Treasury Board. I should like to make that point.

**Senator Phillips:** I was wondering what pattern is being followed. Do you take the recommendation of the Department of Public Works as to what is the most reasonable accommodation, or do you follow the recommendation, or concede the choice, of the department concerned?

**Dr. Davidson:** There is a committee on standards of accommodation—an interdepartmental committee, Senator Phillips. This interdepartmental committee is at the present moment chaired by the Assistant Deputy Minister of Public Works, but it is a committee established under the authority of the Treasury Board to advise the Treasury Board as to what are reasonable standards of accommodation to be provided for government offices. The Treasury Board, on the advice of this interdepartmental committee, lays down standards of accommodation. The departments are required to adhere to these standards of accommodation, and Public Works is supposed, and is required, to provide accommodation that is consistent with that established standard.

**Senator Benidickson:** What is the—

**Dr. Davidson:** Could I just finish, Senator Benidickson? This is the system that is in effect at the present time.

Prior to the report of the Glassco Commission, the Department of Public Works in addition to being responsible for providing the chairmanship of the Treasury Board committee on accommodation, was also recognized as the control agency which controlled and policed the administration of the standards. The Glassco Commission recommended that the Department of Public Works should be a service agency only, and that it should not be put in the unenviable position of trying to police a department of government so far as its accommodation requirements were concerned; that this was the responsibility of the central management of the Treasury Board.

So, the control position is in the process of being shifted from the Department of Public Works to the Treasury Board. It will be our responsibility henceforth not only to prescribe standards of accommodation on the basis of advice given to us by the interdepartmental committee, but also to ensure that the standards are adhered to, and in that connection we expect the Department of Public Works not to veto, or refuse to grant, accommodation for which a certain department is asking but to draw the attention of that department to the fact that it is asking for accommodation of a standard that is not authorized by the Treasury Board, and that if it is its conviction that it needs accommodation of that kind it should get specific authority from the Treasury Board for it. That is the way the system is supposed to work.

**Senator Benidickson:** I was wondering, Dr. Davidson, if there is in existence a report or a memorandum, or something in writing, indicating when there would or would not be approval for air conditioning in government buildings.

**Dr. Davidson:** I will have to check with my officers on that. I do know that the position of the Government, or of the Treasury Board, has changed in the last year or so in so far as the recognition of the justification of providing air conditioning in government buildings is concerned.

**Senator Benidickson:** That is what I had in mind.

**Dr. Davidson:** I would have to refer to my documents in order to give you a precise answer, but my recollection is that there is recognition of the case for air conditioning in new government accommodation. There is also recognition of the justification for the installation of air conditioning, where it is feasible, in renovating existing buildings. But, I could not say that this recognition goes so far as to lead to the conclusion that every government building now without air conditioning is going to be air conditioned overnight.

**Senator Benidickson:** No, but my point was that you could confirm perhaps that there have been changes made in this area. It would be correct to say that you do pay regard to what is currently being done in the private sector in the matter of new construction?

**Dr. Davidson:** That is exactly right, Senator Benidickson, and I can certainly confirm that the Government's position with respect to the



provision of air conditioning in government buildings has advanced considerably from what it was 10 or 15 years ago.

**Senator Benidickson:** Even when we were then putting up substantial new buildings?

**Dr. Davidson:** That is correct.

**The Chairman:** Dr. Davidson, I have just one question. Do you mean that from now on the Treasury Board, for example, will be responsible for the priority listing of programs for new buildings? Is there someone who is going to decide which building will be built before another one? Who is going to decide that?

**Dr. Davidson:** In terms of major government buildings, it is the Treasury Board or the Cabinet. We have competing claims right now in the city of Ottawa from three or four very large departments for the construction of government buildings, headquarters buildings, and other buildings. It is the practice periodically to review the priorities on the basis of the ten-year program for the Ottawa-Hull area, and to make provision in each year's estimates of the department of Public Works for those projects which we are proceeding with, or which it is our intention to initiate in the year ahead. This usually involves some changing of priorities from year to year as the situation demands, and in certain instances it involves going beyond the Treasury Board and having the decision made by Cabinet.

**Senator Fergusson:** Mr. Chairman, I should like to ask Dr. Davidson something about Vote 15a which has to do with the expenses of the Royal Commission on the Status of Women in Canada.

**The Chairman:** On what page is that?

**Senator Fergusson:** Page 6, Vote 15a

**Dr. Davidson:** Well, women cost money, Senator Fergusson.

**Senator Fergusson:** I am not questioning the amount. I just want to know if that commission is going to be granted enough. I want to know, for instance, how large a staff they will have. Are they going to have counsel, as most commissions do? Will the senior officials be permitted to travel?

My reason for bringing up the question of travel is that I used all the efforts I could to have the chairman of that commission attend the meeting of the Commission on the Status of Women at the United Nations in New

York, which met shortly after her appointment, but she was not sent. It was considered sufficient that someone from the staff of our permanent mission in New York should attend as observer, and I do not think that was enough.

I am sure the chairmen of other commissions have visited meetings that would be of interest to them, and I think that attendance at that meeting would have been very useful to Mrs. Bird. I just want to know if there is any limitation on what that commission is permitted to do.

**Dr. Davidson:** Well, as with all royal commissions, I would hope there would be some—

**Senator Fergusson:** I think that what this commission has should be comparable to what other commissions have.

**Dr. Davidson:** I can assure you that the provision that is made in this estimate—and this is really only a first run at an attempt to estimate what the costs of the work of this commission will be—is one that has been accepted unchanged by the Treasury Board as submitted. It is included exactly as it has been submitted to us. I am not familiar, I must add, with what may have gone on between the commission and the Privy Council office, which is the office which submits this item on behalf of the commission. My impression is that this item is essentially as the commission itself presented it.

**Senator Fergusson:** I do not know. I have no idea, but I thought I might ask you.

**Dr. Davidson:** There is an explanatory note here which reads:

The commissioners have held three series of meetings to date and four more are scheduled for the fiscal year 1967-68. In addition, the commissioners will be conducting commission business from time to time in their home areas, undertaking speaking engagements, making public appearances, etc. on behalf of the commission.

Notices of proposed public hearings and invitations for submissions of briefs have already been published throughout Canada and the tentative date for commencement of public hearings is scheduled for March 1968.

It is proposed that certain travel will be undertaken, mainly by the research staff, for consultation throughout Canada and possibly the United States and Europe in



order to supplement the commission's research programme.

Then it goes on to say that the greatest expenditures will be made in the field of research—the research program as already outlined and accepted by the commissioners, and so on.

I would simply say that if the chairman of the commission has not travelled I am satisfied she has not travelled by her own decision. I am satisfied that nobody would presume to tell the Chairman of the Royal Commission whether or not she should travel to New York.

**Senator Fergusson:** No, but this happened, as you probably know, immediately after her appointment. I am certain she did not request that as a condition of the appointment.

**Dr. Davidson:** Well, if I may say so, one has to make a distinction between whether the Chairman of the Royal Commission on the Status of Women travels to New York to attend a meeting of the Commission on the Status of Women as an observer of what is going on there, or whether she travels as the Government representative to the Commission. From some points of view it could be well argued that having been named Chairman of the Royal Commission on the Status of Women it would be difficult for her, from her own point of view, to accept at the same time an appointment as an instructed representative of the Government of Canada to the United Nations in New York.

**Senator Grosart:** Dr. Davidson, we have nine \$1 items, rather a high number, in various pages.

**The Chairman:** I think we have a dozen.

**Senator Grosart:** One is as clearly an amendment to an act of Parliament as it could be. I refer particularly to Vote 17a on page 11 which refers to an act of Parliament and says it is to be read and construed in such and such a way. I have objected before to the use of this vote to amend acts of Parliament through the back door.

**Dr. Davidson:** I am with you 100 per cent.

**Senator Grosart:** May I ask you to run down these \$1 items. A little earlier you said that very often the wording is in the form in which it is in order to bring it under the wording of the act; but I am sure that there is no act that provides for its own extension.

**The Chairman:** Would you mind, Senator Grosart, if I called them one by one? I will begin with page 4, Vote 20a.

**Senator Grosart:** Not at all.

**The Chairman:** Then we will proceed from the beginning. On page 4, Vote 20a, is a \$1 item. Would you give us an explanation, Dr. Davidson?

**Dr. Davidson:** Could I just say that the two items on page 4 are items to which I think relatively little exception can be taken on the grounds that they are legislative items. These items simply list certain additional items of expenditure that we want to make appropriations for within this vote; we give you the amount of money, the extra supplementary amount, that we want you to approve. Having asked you for \$346,000, we could stop there if we wanted to; but we go on to tell you that we really have \$346,000 available in the vote due to the fact that certain plans have been changed and certain sums of money that are already in the main Estimates will not be spent as originally intended. In short, we do not need any extra money, but we do need additional authority to make the new expenditures proposed. I do not think you have any serious grounds, Senator Grosart, for taking exception to this particular item, or the next one, Vote 25a, which is the same exactly.

**Senator Grosart:** Are these in effect transfers within a vote?

**Dr. Davidson:** Yes. They are items that will still require the department to come to the Treasury Board, even after Parliament has given its approval, and ask for certain moneys which are already in the vote—perhaps for telegrams and postage, or travelling expenses, or salaries—to be made available to this primary 20, as it is called, in order to make the contribution to the Yukon Territory that is here described.

**Senator Grosart:** This is transfer of money already voted.

**Dr. Davidson:** Yes.

**Senator Grosart:** What is the French word you use for that? I read it only the other day.

**Dr. Davidson:** The British call it *virement*. Is that word still used, Mr. Chairman?

**The Chairman:** Yes.

**Dr. Davidson:** It is what we call a transfer of allotments. If these items had been known



at the time the main Estimates were being printed they would have been listed in the main Estimates and provision would have been made for them and there would have been no question of any exception being taken to them, at least on the grounds that they are legislative in character.

**Senator Grosart:** Could this not have been done without the fixing of a \$1 vote?

**Dr. Davidson:** Yes. We could have asked you for \$346,000 that we do not need, and you would not question it, and this would not be counted among your nine \$1 items. However, we do not think that this would be as fair to Parliament as it should be. We do not think we should ask you for money that we do not need, if we have money in that Vote 20a which the department tells us they will not be using for the original purpose—because of a change in their plans—that they have reviewed their expenditures and are satisfied they can absorb the new items within the vote total as it now is, provided Parliament gives the authority to spend it for this purpose. We could equally well ask for the additional money, but I think you would be justified in criticizing us, Senator Grosart, if we did so. We could ask you for \$346,000 under Vote 20a, and for \$1.5 million under Vote 25a, and leave it at that; and you would then be saying to me there are only seven \$1 items in the Estimates instead of nine.

**Senator Grosart:** I am objecting really to the effect, and asking if there is not a simpler way of doing this. I appreciate that you have to have a vote. I merely ask if there is a simpler way.

**Dr. Davidson:** There is a standard rule that anything by way of a grant or a contribution should be listed in the Estimates. If it were not for that rule we would not have to come to you for this. We could simply take money we had asked for, salaries, and make a grant to the Commissioner of the Northwest Territories for the purposes listed here; but our doing that would result in an observation by the Auditor General that we did something we should not have done. We have to come for the authority and we have our choice of coming for the authority and also for the money, or alternatively of coming for the authority and saying to you that we do not need the money provided you give us the authorization.

**Senator Croll:** Under what circumstances can you transfer money in the item without doing what you are doing?

**Dr. Davidson:** We can transfer within a vote from primary to primary, but not if it involves transfer of money for a grant or contribution in what is called "primary 20" here.

**Senator Isnor:** I think the Auditor General is absolutely right from the point of showing how the money is to be spent.

**Dr. Davidson:** The auditor general makes a distinction, and I think I can understand this, between the money that the Government spends for its own administrative requirements and the money that it uses, such as is included in the vote here, for the purpose of making a contribution to an outside body over which, constitutionally or legally it may have little or no control.

If we are making a grant to the Canadian National Institute for the Blind, the Auditor General insists, in accordance with tradition and practice that the item be listed as a contribution in the Estimates, so that the Government will not be handing out money to other agencies and authorities that it has asked Parliament to appropriate for its own purposes.

**The Chairman:** The next item is on page 5, Vote 49a.

**Dr. Davidson:** This is one to which I think Senator Grosart could more properly take exception, because we are providing here authority for the Treasury Board to do certain things, to make certain assumptions or calculations under the Defence Services Pension Continuation Act, which are not authorized by the Act itself.

**Senator Leonard:** This is somewhat similar to an item of the main Estimates, is it not, in that you have to deal with another category of pensions in the main Estimates along the same lines?

**Dr. Davidson:** I do not recall that particular instance, but I have to say, in all frankness, to the members of the committee, that there are numerous items of this kind that find their way into estimates from time to time. We have the superannuation and pension provisions of the Defence Services Pension Continuation Act, the Public Services Superannuation Act, which is a very complex piece of legislation and numerous other pieces of superannuation legislation. We have two or three hundred thousand employees and every time we turn around we find perhaps half a dozen instances of individuals who are caught



in some situation which is regarded as being inequitable or not covered by the legislation. Consequently, the inclination always is to try to adjust the legislation to meet the requirements of that particular situation.

I must confess, frankly, that I do not like this as an approach—as an individual, I do not like this. We try to resist this wherever possible, but we are forced to accept—I do not say we are being forced by some outside authority, but I am obliged in my own right, as Secretary of the Treasury Board, to admit in certain of these instances “I do not like it but I recognize the situation we are in and I am prepared to recommend to the Treasury Board that they accept an item of this kind in the Estimates”.

I can perhaps tell you what this particular one deals with. Prior to last October, when the revised pay regulations were introduced for the armed forces, there was, in effect, prior to that time a much more system of pay and allowances. The single service man got a certain pay level. The married service man got a certain pay level and marriage allowances and a series of other special allowances such as trades pay, on top of that.

Certain provisions were written into the regulations at that time, providing that a retired serviceman's pension would take into account some portion of the additional payments that he was receiving, not as basic pay but as special allowances or special pay.

The trouble was that the regulations were written in different terms for the army, the navy and the air force. Prior to the date when the revised pay regulations were introduced in October 1966, a retiring serviceman's pension entitlement, under Parts I to IV of the Defence Services Pension Continuation Act, was based on the average pay he received during the last three years of service, plus the subsistence allowance and the marriage allowance that he either received during the three-year period (in the case of the Navy) or was in receipt of at the date of retirement (in the case of the Army and Air Force).

After October 1, 1966 the calculation was changed. It is now based on the average of three years pay only, since, under the revised pay system, allowances have ceased to exist and are incorporated into the pay package itself. Accordingly, for those servicemen whose retirements occur during the period from October 1, 1966 to September 30, 1969—that is, the three year period after the pay revision—a pension calculation based on pay alone would, but for the authority which

is now requested, automatically exclude from the pension calculation the allowances which they received for that portion of their last three years of service antedating October 1, 1966.

There is no provision in the Defence Services Pension Continuation Act whereby the benefit of allowances so lost could be included for pension purposes.

There are eleven non-commissioned officers of the Canadian Army and the Royal Canadian Air Force, under Parts I to IV of the Defence Services Pension Continuation Act, whose retirements have either already occurred since October 1, 1966 or will occur before September 30, 1969, whose pension rights are adversely affected, in varying amounts, depending on the proximity of the dates of their retirements to September 30, 1969.

The purpose of this item in the supplementary Estimates is to obtain parliamentary authority to enable the Governor in Council to make regulations to put that situation right. The navy will rejoice when I say that they were foresighted enough to have a separate set of regulations in existence prior to October 1, 1966 which did not get them into this situation.

Therefore, there is no remedial action necessary so far as the navy is concerned.

This is legislative: this is a change that gives us legislative authority we would not have otherwise.

**Senator Leonard:** Which you do not have in the act.

**Senator Grosart:** What would happen if this is followed up and there is a twelfth man who reads the act and who goes to a lawyer, and the lawyer says “I am sorry, you have no claim”?

In other words, is this amendment to the act eventually incorporated in the consolidation of the act; or is there any way in which a person who does not know of this one dollar item can find out that the act has been amended?

**Dr. Davidson:** When the Statute Revision Commission, established by the Department of Justice, revises the statutes, it examines each one of these provisions, many of which by that time will be *functus officio*, they will have been spent. In its own judgment, it decides which ones of these, and to what extent, it should incorporate into the Revised Statutes.



**Senator Grosart:** How often is that done?

**Dr. Davidson:** It used to be done every ten years, and it is done more frequently now; but I cannot tell you how frequently that Statute Revision Commission does a complete revision.

**Senator Grosart:** This is not done in an office consolidation?

**Dr. Davidson:** I think it would depend, Senator Grosart, on the nature of the amendment. For example, in the Area Development Incentives Act, where we have from time to time asked Parliament by vote in the Estimates to lift the ceiling on the amounts which may be committed, I am satisfied that, if the Department of Industry were issuing an office consolidation, it would print in the office consolidation the higher ceiling authorized by the vote and would put a footnote to indicate the authority on which the amendment was based.

**Senator Leonard:** They are not entirely amendments.

**Dr. Davidson:** No, but they are always exposed through the Estimates process to the critical gaze of senators and members of the House of Commons.

**Senator Thorvaldson:** The word "prescribed" is used here. What is the meaning exactly? Is it "determine" or "decide upon"?

**Dr. Davidson:** This authorizes the Treasury Board to prescribe pay and allowances that are deemed to have been received.

**Senator Thorvaldson:** The word "prescribed" is used. It is a very unusual word. Does it mean "to decide upon"?

**Dr. Davidson:** I suppose it means "decide upon" and also "to write down on the record so that there will be knowledge by the administrative authority as to precisely what the rule is". I can only say that this is a matter between the lawyers, of which you are one, senator. This really authorizes the Treasury Board to say that it may pass an order providing that, in the case of those eleven men, their pay for pension purposes shall be deemed to be the sum of the actual pay and the allowances they received during their last three years of service—even though under the law it may have been less than that.

**Senator Grosart:** Should the word "that" be between the words "prescribe" and "pay"? Is it to prescribe that the pay be deemed?

**Dr. Davidson:** No, they are to prescribe the pay and allowances that are deemed to have been received.

**Senator Grosart:** To prescribe that they?

**Dr. Davidson:** No. You prescribe by regulation the amounts of pay and allowances that these men are deemed to have received—even though in fact they did not receive that pay and allowances.

**Senator Grosart:** I see.

**Senator Benidickson:** At the top of page 8, Dr. Davidson, with respect to Vote 15a, you do point out that this is less funds available in the main Estimates, 1967-68.

**Dr. Davidson:** That is right.

**Senator Benidickson:** And on the top of page 9, with respect to Vote 40a, you use another phrase: "Less: Anticipated Lapses." Is there any difference between those two votes?

**Dr. Davidson:** No, and it is a very good point. I do not know why we do this. We do it because Mr. Glashan tells me to do it. He keeps trying to confuse me, as I sometimes confuse you.

**Senator Benidickson:** We have always anticipated some lapses, but pointing out that it is anticipated at this stage in the fiscal year looks rather new to me. I have not formed an opinion whether this is advantageous or not advantageous, but when you go back to Vote 15a again, at the top of page 8, it is pointed out to parliamentarians that it is only going to cost us \$1 to do these various things for the City of Ottawa, because certain other things are not going to be done during the current fiscal year. We are given details of the new things, but no parliamentarian is told about the things that are not going to be done that he may have thought were going to be done in the fiscal year.

**Dr. Davidson:** That is correct.

**Senator Benidickson:** I wonder if the two should not be put alongside each other in future years, in this respect?

**Dr. Davidson:** If you can put that future year far enough ahead, Senator Benidickson, I have no objection, but I do not want to be around when the attempt is made to get Estimates through Parliament which list both the things that are going to be done and the things that are not going to be done!



**Senator Benidickson:** I should not have used the words "future years". I will say the things that are going to be done in the current year instead, and, in place of these things. That, perhaps, should be set out.

**Dr. Davidson:** It is not quite as simple as that, Senator Benidickson. It is not a question of eliminating certain projects and spending the money on certain other projects, although that may be in the picture. It is equally a question of provision having been made perhaps for a certain project that is listed in the main Estimates which it was hoped the department would be able to commence work on on April 1, but there have been delays in the development of plans or the letting of contracts and, in fact, the project will not get underway until halfway through the year, and part of the money for that project, which will still be proceeded with, will be lapsing and will be available for another purpose.

Another reason is, of course, that there may be in some instances a change in plans completely that will eliminate the item, or that there may be a different level of expenditure achieved throughout the year because of delay and slowdown in progress in the work for a variety of reasons—or the cost of a particular project may in fact turn out to be less than originally estimated.

Now, all of these reasons enter into the picture, and I am frank to say that I am not in a position, to say which items the Department of Public Works has checked through to decide that it is not going to spend this \$1,419,999. You would have to call the appropriate departmental officials here, and they should be in a position to substantiate for you in detail where it is out of the main Estimate item that they propose to find this money.

**Senator Benidickson:** I think I understand this now, and I see what you are attempting to do, I believe. Your policy is to come forward with Supplementary Estimates (A) and point out the anticipated lapses, and this is intended, in a way, to say that you are not going to spend any more money this year, but only in a different way, and, therefore, it should be easy to pass these \$1 items. But, when we come to page 12 and Vote L51a, we have a completely different type of \$1 item involved, have we not?

**Dr. Davidson:** Yes.

**Senator Benidickson:** We have here something that is legislative. We are saying, with

no estimate of the likely cost in the fiscal year, that we are going to extend to Eskimos the same kind of rights as are given to Indians. However, nobody says to Parliament what that is likely to cost in the fiscal year.

**Dr. Davidson:** I will say two things about that, Senator Benidickson. This is not legislative in any sense, other than any vote is legislative.

**Senator Benidickson:** It is not?

**Dr. Davidson:** This is not amending legislation; it is amending a previous vote wording, and it is no more and no less legislation now than the original vote wording was. The limit, so far as dollars are concerned, Senator, is set by the dollar limit that was set on the loan authority in the original vote items that are referred to here. All that this vote L51a does is, to authorize within the financial limits that have been set out in those previous votes to which I referred, the inclusion of Eskimos as eligible for loans, on the same basis as Indians are already included.

**Senator Benidickson:** Until the statute itself is amended?

**Dr. Davidson:** Well, with this loan authority, there is in fact no need to amend the statute, because this authority does not refer to any legislation whatever, except to the Appropriation Act. Now, one could justifiably argue, and I have so argued with the department, in fact, that this really should be an amendment to the Indian Act, and that when you get into the business of authorizing loans to Indians and to Eskimos, particularly to Indians for housing, that really this should be part of the legislative charter that Parliament enacts with respect to the provision of services on behalf of our Indian population. This is really where it fits into the framework.

**Senator Benidickson:** I agree, because if anybody wants to look at the statute and find out who is entitled to housing loans, he will be at a loss, because he will look at the Indian Act and the amendments to it in the index, but will be able to learn nothing about this type of thing available for Eskimos.

**Dr. Davidson:** You are quite right. I do not quarrel with that at all. However, you are brought right back to the dilemma constantly facing Parliament: are we going to make the Indians and Eskimos wait for 10 years until Parliament gets round to amending the act?



**Senator Croll:** As I understand it, the Eskimo is an Indian for the purposes of the act, and has been for years.

**Dr. Davidson:** That is arguable. He is an Indian under the British North America Act, Senator Croll, but not within the meaning of the Indian Act.

**Senator Croll:** If it does him any good, he does become an Indian, is that it?

**Dr. Davidson:** He can have it both ways.

**Senator Croll:** But look: this has been discussed many, many times by the minister and others in the terms that I set forth.

**Dr. Davidson:** But I come back to the point that, while an interpretation has been given by the Judicial Committee of the Privy Council that an Eskimo is an Indian within the meaning of the British North America Act, it is equally clear that an Eskimo is not an Indian within the meaning of the Indian Act. Therefore, he is not necessarily entitled to all of the protection or benefits provided with respect to an Indian coming within the definition of the Indian Act.

**Senator Croll:** Would you not need an amendment under the act, then, to do what you are doing?

**Dr. Davidson:** No.

**Senator Croll:** Why not?

**Dr. Davidson:** Because the previous vote wording authorized loans to be made to Indians. It did not amend the Indian Act.

Now, it could be argued that the previous vote wording could be interpreted, on the basis of the British North America Act interpretation which I have mentioned, to include Eskimos; you might argue on that basis that this item is not necessary. All that I can say to you is that the department on the basis of its practice and the legal opinions it has had feels it has not the authority at the present time to extend this benefit to Eskimos. It wants to do it, but that is the situation.

The outstanding example of the kind of legislative change that is effected by having a vote wording estimate is in the Veterans Affairs item found at the top of page 11, to which Senator Grosart has already referred. Here in Vote 17a you have a clear example of a change in the definition. There is, perhaps, an artificial distinction here. This does not overtly amend the definition of "civilian" for

the purposes of civilian war pensions and allowances, but it provides that the definition should be read and construed as though it included what you see in there.

What a statute revision commission will do when it comes to a vote of this kind, I just do not know. I have continually taken exception, as an official, to the use of the Estimates for legislation of this kind. I think it is unsound, and I have said so, and I will say so again. But with the timetable that Parliament is up against, the choice is a difficult one. You either decide that you are going to get this in to the parliamentary timetable and hope that at some point in the future you will get this legislation through, or you decide to ask Parliament to make an exception and to authorize this benefit to be provided to a certain group of people through this device of a vote wording in the Estimates. If you are prepared to say that these people must wait until Parliament passes legislation, that is, of course, your responsibility.

**Senator Benidickson:** Parliament has to decide on the order of priority that it would take to get this through.

**Dr. Davidson:** That is correct.

**The Chairman:** Can we fairly say that generally the real purpose of these \$1 items is to take care of urgent situations which would otherwise not be dealt with at the appropriate time?

**Dr. Davidson:** I think that is the fairest way to explain these items which are of a legislative character. These are almost always items which the Government recognizes, as much as anybody else does, to be really legislative in character. I am sure the Government would accept the proposition that if the legislative timetable permitted, this would be better done by way of legislative amendment, but because of pressure and the emergency situation and what they regard as being the desirability of doing this without undue delay, and the priority of other items on the legislative agenda, they decide this is the best way to effect this change.

**Senator Benidickson:** On the point of urgency in regard to item 17a, we are talking about doing something that relates either to the Second World War, or to Newfoundland entering into Confederation. Now either of these events happened almost 20 years ago. Surely in this item we cannot say that there is justification for using the Estimates rather than introducing a statute to do something



that has been hanging around this length of time.

**Dr. Davidson:** I suppose there is something in that, but on the other side it can be said that something that has not been done for 20 years and which should be done now does carry a certain amount of urgency.

**Senator Thorvaldson:** Is there any estimate as to what is required under this item?

**Dr. Davidson:** Yes. It is estimated that some 1,470 foresters will acquire service eligibility through the adoption of this proposal. Of these it is estimated that approximately 450 would be potential recipients of whom possibly 160 civilians, widows and orphans, would probably qualify for these allowances immediately. The immediate annual cost of these allowances is estimated at approximately \$250,000. Present indications are that there are sufficient funds in the vote and consequently no additional funds are being sought by way of this estimate.

**Senator Thorvaldson:** What is the total number who would benefit immediately by this?

**Dr. Davidson:** 450 is the number estimated as being likely to benefit eventually, but 1,470 is the overall group swept into the orbit of the legislation by this provision.

**Senator Grosart:** Will this be retroactive?

**Dr. Davidson:** No.

**The Chairman:** Are there any other questions about the \$1 items?

**Senator Isnor:** I wonder if we could go back to page 8, dealing with Public Works. Dr. Davidson, can you tell us something about the situation so far as parking on the Hill is concerned? I see there is an item there of \$200,000. What is the situation at the present time?

**Dr. Davidson:** All I can say is that this item is in the Estimates to permit further development of the design and planning work related to the proposed provision for parking facilities underground on Parliament Hill. It is not intended that this is the last expenditure that will be made on this particular item.

**Senator Isnor:** That means that the plans have not yet been completed?

**Dr. Davidson:** They are not completed and as of now the costs are showing a considerable

escalation as compared with the original estimate of what they would cost.

**Senator Isnor:** Could you tell us what the original estimate was?

**Dr. Davidson:** I am not holding back on you, but I just cannot tell you. I don't recall what the original cost estimate was. I think there has been some change in view as to how many spaces will be provided underground, and this has had a substantial effect in altering the likely dollar cost of any project that might be approved.

**The Chairman:** Any other questions about Supplementary Estimates (A)?

**Senator Grosart:** Dr. Davidson has not given an explanation on all of these \$1 items. There is one at the bottom of page 11 which is interesting.

**Dr. Davidson:** This is for the purpose of setting aside a provision in the Indian Act that says that the total amount of advances outstanding at any one time shall not exceed, I think, \$1 million. This is for the purpose of raising that. It has already been done once, so we have sinned not once but twice in this particular section. I think there was a previous vote wording to authorize the advances to be raised from \$1 million provided in the present legislation to \$1½ million. The effect of this is to boost it even further. This is a provision which if the Indian Act were being amended in this session would, no doubt, be taken care of.

**Senator Leonard:** But, if it should be taken care of, why have not the bills been introduced? One would imagine that if these changes were to be made at least the bills would be introduced.

**Dr. Davidson:** I was a Citizenship and Immigration as deputy minister back in 1962, and there were certain things that were announced then regarding changes in legislation so far as both Immigration and Indian Affairs were concerned. These things have not been done yet. I am not attributing blame, but merely pointing out that the government's timetable has for a long time been burdened down with amendments of various kinds to the Indian Act, and amendments of various kinds to the Immigration act, none of which it has yet been possible to find the time to present to Parliament. The same is true of legislation to establish the Indian Claims Commission.



In such circumstances, in the face of such delays in the legislative timetable, you really have to decide either that you are not going to continue this program beyond a certain point because your loan authority has been used up, or else you resort to this device.

**Senator Grosart:** Dr. Davidson, speaking to this one-dollar item situation, as far as I can find out there is only one one-dollar item this year in the Main Estimates.

**Dr. Davidson:** Oh! You surprise me.

**Senator Grosart:** I went through the 600 pages—I admit it was late at night, but I could only find one. There were about nine or ten last year. One of the nine or ten last year, I was delighted to discover, was a Treasury Board item. It appears on page 560 and is explained on page 565, and although this is last year—

**Dr. Davidson:** 1966-67?

**Senator Grosart:** 1966-67, yes. It appears on page 560—I am sure you would recall the circumstances—and it is explained on 565 of the current Estimates—

**Dr. Davidson:** Oh!

**Senator Grosart:** —because the current Estimates take the two years. This is the Estimates for the fiscal year ending March 31, 1968, at the bottom of page 560.

**Dr. Davidson:** Yes.

**Senator Grosart:** And this is explained in some detail, which I do not understand, on page 565.

**Dr. Davidson:** Yes. Do you want me to tell you what that means?

**Senator Grosart:** Yes.

**Dr. Davidson:** I'm damned if I know! All I would draw your attention to is that this is an item not required for 1967-68

**Senator Grosart:** But it deems an expression—

**Dr. Davidson:** I would have to go back to my notes.

**Senator Grosart:** It does not matter.

**Dr. Davidson:** What this obviously is is a provision that would extend the application of a regulation that is made under the Public Service Superannuation Act in a way that would include a regulation made under the

Financial Administration Act as though it had been made under the Public Service Superannuation Act. I cannot tell you what that is for, but it shows the lengths to which—

**Senator Grosart:** —the Treasury Board will go.

**Dr. Davidson:** Yes—in terms of these technical adjustments that are necessary to untangle certain complications we get into.

There was one last year that floored me completely, having to do with the way we had to handle the writing-off of the advances that we had made to enable the Canada Pension Plan contributions on behalf of the members of Public Service to be made without increasing thereby the total of the deductions being made for pension and superannuation purposes.

This is the sort of jam you get into when your legislative timetable goes awry and you are faced with the practical situation of having to do something before the legislation is passed.

**Senator Grosart:** The single one-dollar item I found appears on page 323. I am interested to know why that would be required in the Estimates. I apologize, Mr. Chairman, if the Main Estimates are not before us.

**Dr. Davidson:** I think I am correct in stating that this item arises from a criticism that the Auditor General voiced in one of his recent reports. No, I am sorry, I was looking at the wrong item; I am quite wrong. This is a National Defence item. If you look at the two preceding years you will find that an arrangement was authorized by Parliament whereby National Defence could dispose of certain of its assets such as obsolete equipment and within a \$5 million limit real property and instead of that money reverting to the Consolidated Revenue Fund, authority was granted for it to be held in a special reserve account to which National Defence would have access, subject to approval by the Treasury Board.

This device was adopted essentially on the recommendation of the Glassco Commission. I do not want you to take that literally, but it arose out of the Glassco Commission's concern that there was no incentive to encourage departments to get rid of assets they were holding which had become obsolete. You have heard the stories from time to time of the military stores being plugged up with underwear, uniforms and obsolete material they should have written off long ago.



The purpose of this device is to provide some incentive for a department—and this is limited at the present moment to National Defence—to clean out its old stores by saying to them, "If you clean out your old stores and get rid of some of your obsolete equipment or property you no longer need, we will make this money available to you, provided it is used for purposes Treasury Board will approve."

**Senator Grosart:** Why would not an amendment be made to the Financial Administration Act in this regard?

**Dr. Davidson:** Because at the present moment this is applicable only to one department, the Department of National Defence. It may very well be that if this experiment works successfully—and I am not yet prepared to say it has or is going to—we will want to translate it into an amendment to the Financial Administration Act. But, for the moment, we are limiting it to National Defence, where the inventories are the largest of any department. We are also limiting it on the score of real property because we would not want to see a wholesale and indiscriminate liquidation of property merely for the purpose of short-term advantages to the National Defence budget. We have cautiously moved the authority from \$5 million to \$10 million.

I think the reason why this vote wording is repeated in the Estimates for 1967-68 is entirely due to the fact we are increasing the provision from \$5 million to a new authority of \$10 million.

**Senator Grosart:** You may need some incentive to get rid of some more uniforms pretty soon!

**Dr. Davidson:** This will provide it.

**The Chairman:** Honourable senators, are there any other questions on the supplementary Estimates (A) or the interim supply bill? If not, a motion to adjourn would be in order.

**Senator Grosart:** I wonder if we should not have a little information on this interim supply bill that will be before us this afternoon. I think one of our functions here is to examine these bills before they are considered by the Senate.

**Dr. Davidson:** Could I just perhaps read quickly to the members the departments which are included in the full supply bill?

**The Chairman:** Yes.

**Dr. Davidson:** They are: Atomic Energy of Canada Limited; Atomic Energy Control Board; Department of Defence Production; Energy, Mines and Resources; Fisheries; Indian Affairs and Northern Development; National Health and Welfare; National Revenue; Post Office; Solicitor General; and Transport.

Full supply is being requested in respect of all those departments, and that is in the one bill which will eventually, we hope, appear as Appropriation Act No. 5.

Then, the interim supply bill which will appear as Appropriation Act No. 6, covers all of the other departments in respect of supply up to the end of October, covers all of the supplementary Estimates for departments included even in the full supply bill up to the end of October, and provides extra proportions in a number of instances.

The extra proportions—this bill is not before the senators, is it?

**The Chairman:** No, not yet.

**Dr. Davidson:** The extra proportions are provided as follows. In a number of instances we are asking for an additional four-twelfths which brings the total in those cases up to eleven-twelfths.

**Senator Grosart:** Which bill is this?

**Dr. Davidson:** This is the interim supply bill.

**Senator Grosart:** This is Bill C-147?

**Dr. Davidson:** Mine is an unnumbered copy, so I cannot tell you, but would you look at Schedule A on page 4. The National Capital Commission is asking for four additional twelfths in addition to the seven-twelfths which would be granted ordinarily on interim supply, and that brings their total up to eleven-twelfths. The reason for that, I suspect, is evident from the work one sees being done around the national capital in the last little while.

Schedule B shows a request by the House of Commons for three-twelfths extra for the item shown here under Vote 15. This would bring this vote up to ten-twelfths, and this is because of the spate of conferences and parliamentary association meetings that take place during the recess and the early fall.

Schedule C shows a number of departments that are asking for an additional two-twelfths for certain items, which will bring them up to nine-twelfths. External Affairs is asking it in



respect of construction, acquisition or improvement of property. This is because of a decision that has been made, and authorized by the Treasury Board, to acquire a new building in Paris, which Mr. Martin, the Minister, recently announced on the occasion of a visit to Paris. Into this building will be gathered together the offices of a number of agencies and organizations of the Canadian Government that already exist in Paris, such as the National Film Board. This is a building in which will be centered most of the cultural agencies and organizations that represent the Government of Canada in Paris. This is only part of the reason for requesting the additional two-twelfths in this interim supply bill.

The next item has to do with the Centennial Commission. The reason for this additional interim appropriation will be obvious and the senators will not ask me to deal specifically with it. Then there is an amount in respect of Expo—the Canadian Pavilion at Expo. The reason for it too is obvious.

In Schedule D one-twelfth additional is being asked, which brings the total up to eight-twelfths. The first one has to do with agricultural rehabilitation projects, and the next is to finance the municipal grants program. We have processed a sufficient number of municipal grants to require payment between now and the end of October of two-thirds of the total amount being requested for the year. Rather than ask the municipalities to wait longer, we would prefer to make these payments without delay and thus will require one extra month's supply.

I must confess I am not familiar with the particular reason why the National Film Board wants an extra month's supply, but I suspect it is due to the film program and field work that is accelerated during the summer months, and it probably has to do—although I am guessing—with the extra burden of work thrown upon the National Film Board because of the Centennial and Expo programs.

In Schedule E the first amount under "Loans, Investments and Advances" is for Expo and the final item is something that the Canadian Government is in the process of negotiating at the present time. This amount will either be required in its entirety before Parliament meets again, up to the extent of eleven-twelfths, or will not be required at all.

**The Chairman:** Are there any further questions?

**Senator Grosart:** Can we have an explanation of Bill C-147.

**Dr. Davidson:** That is the full supply bill?

**Senator Grosart:** Yes.

**Dr. Davidson:** I have listed, Mr. Chairman, the ten departments that are covered by this amount that Parliament is being asked to appropriate, and which is shown at the top of page 3 of the schedule as \$2,450,967,350.24. This does not include, of course, the statutory amounts that are part of the spending program of these departments, there being no additional authority required for the statutory amounts. This does cover the amounts of the full Estimates of these departments as set out in the main Estimates of the departments, less what has already been granted by way of interim supply.

**The Chairman:** Now, Dr. Davidson, I understand that the tradition was to keep one-twelfth for the last appropriation bill. What precisely is the reason for granting full supply?

**Dr. Davidson:** The specific reason is that this is what the parties in the House of Commons agreed to do. I do not know what went on in the negotiations that prompted them to do this, but I suspect it is based upon the experience of last year, when it was felt by the House of Commons that having dealt completely, so far as they were concerned, with these estimates of these departments in committee, there was not much point in continuing to vote interim supply to departments that were ready to be completely disposed of so far as their main Estimates were concerned. Therefore, it is thought better to put through the full supply for those departments where the discussions in the committee on supply or in the standing and special committees of the House have been completed.

**The Chairman:** Was there any precedent for this?

**Dr. Davidson:** This was done last year, Mr. Chairman, and it was done also, I think, in April, 1957 in respect to one department, namely, the Post Office. Last year it was done in respect to about eight or ten departments.

**Senator Grosart:** Did the estimates of these departments go before the standing committees as well as the committee on supply?

**Dr. Davidson:** I do not think they all go to standing committees. I think most of these have gone to standing committees, but there may have been some that were dealt with



only in the committee on supply. I could not tell you which ones they are.

**Senator Grosart:** Dr. Davidson, in view of the fact that these Estimates have been through the departments, through the Treasury Board, before the House, and before the committee on supply, and, in most cases, before standing committees, what useful function can the Senate perform in examining them?

**Dr. Davidson:** I will merely say to you, Senator Grosart, that while the house committees have dealt with the Estimates of individual departments, there has been no debate even now in the committee on supply or in any of the individual committees of the House of Commons on the total Estimates presentation. There has been literally none as of this moment.

I referred earlier to the fact that these two bills were passed by the House of Commons last night between 9.30, when the Order of the House required that they be taken up, and 10.00 o'clock when third reading was given to

the last of these two bills, and there was no debate permitted under the rules of the House. This was the only occasion that has been given to the House of Commons up to now to debate the overall implications of the Estimates presentation, except in the budget debate which has had only one day to date.

**The Chairman:** Dr. Davidson you are inviting a debate in the Senate this afternoon.

**Dr. Davidson:** I am not inviting a debate, Mr. Chairman, I am merely trying to give Senator Grosart some reason to believe that his contribution to the debate in this committee is even more useful than he in his modest way might suppose.

**Senator Thorvaldson:** I move that the committee do now adjourn.

**The Chairman:** Before we adjourn, permit me on behalf of all present to thank Dr. Davidson and his assistant, Mr. Glashan, for the information they have given, which will be most valuable to the committee.

The committee adjourned.

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Second Session—Twenty-seventh Parliament  
May 16th, 1967.

1967

# THE SENATE OF CANADA

## PROCEEDINGS OF THE STANDING COMMITTEE ON

# FINANCE

The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

No. 4

*Fifth Proceedings on The Estimates*  
laid before Parliament for the fiscal year ending 31st March, 1968,  
including *Supplementary Estimates "B"*

THURSDAY, NOVEMBER 2nd, 1967

WITNESS:

*Treasury Board: Dr. Geo. F. Davidson, Secretary.*

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1967





Second Session—Twenty-seventh Parliament

1987

THE STANDING COMMITTEE  
ON

FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable M. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird	Leonard
Aseltine	Macdonald ( <i>Brantford</i> )
Baird	MacKenzie
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	Méthot
Bélisle	Molson
Benidickson	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax-North</i> )	Phillips
Croll	Pouliot
Denis	Power
Deschatelets	Quart
Farris	Rattenbury
Gélinas	Roebuck
Gershaw	Savoie
Grosart	Smith ( <i>Queens-Shelburne</i> )
Haig	Thorvaldson
Hayden	Vaillancourt
Hays	Vien
Isnor	Welch
Kinley	Yuzyk (45)

*Ex Officio members:* Flynn and Connolly (*Ottawa West*).

WITNESS:

Treasurer: Dr. Geo. F. Davidson, Secretary.

—After debate and—  
The question being put on the motion, it was—  
Resolved in the affirmative.”  
J. M. MACNEILL  
ORDERS OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

Extract from the Minutes of the Proceedings of the Senate, Tuesday, October 31st, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (B) and to sit during sittings and adjournments of the Senate.



After debate, and—

The question being put on the motion, it was—

Resolved in the affirmative.”

J. F. MACNEILL,  
Clerk of the Senate.

## MINUTES OF PROCEEDINGS

THURSDAY, November 2nd, 1967.

(4)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 10.30 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Aseltine, Baird, Beaubien (*Bedford*), Bélisle, Burchill, Connolly (*Ottawa West*), Croll, Denis, Gélinas, Gershaw, Grosart, Hays, Isnor, Kinley, MacKenzie, McCutcheon, Méthot, Molson, O'Leary (*Antigonish-Guysborough*), Phillips, Pouliot, Quart and Thorvaldson. (24)

The Chairman made a statement regarding a meeting of the Steering Committee next week at which time he invited Honourable Senators to direct questions to him or any member of the Steering Committee with respect to the agenda of the Main Committee for the coming weeks.

The Estimates laid before Parliament for the fiscal year ending 31st March, 1968, were further considered, together with Supplementary Estimates "B".

The following witness was heard:

### TREASURY BOARD:

Dr. Geo. F. Davidson, Secretary.

The Chairman, on behalf of the members of the Committee, thanked Dr. Davidson for his appearance before the Committee.

At 12.15 p.m. the Committee adjourned to the call of the Chairman.

Attest:

Frank A. Jackson,  
Clerk of the Committee.





## THE SENATE STANDING COMMITTEE ON FINANCE

### EVIDENCE

Ottawa, Thursday, November 2, 1967.

The Standing Committee on Finance, to which was referred the Supplementary Estimates (B) laid before Parliament for the fiscal year ending 31st March, 1968, met this day at 10.30 a.m.

**Senator Jean-Paul Deschatelets** in the Chair.

**The Chairman:** Honourable senators, before we hear our star witness I should like to say that it is my intention to call a meeting of the Steering Committee at some time next week. You will remember that we agreed that a meeting should take place in order to consider our program for the coming weeks. To date I have received some suggestions from Senator Phillips, and if other honourable senators have suggestions I would be very pleased to receive them. Suggestions can be addressed to any member of the Steering Committee which is, by the way, composed of Senators Molson, Flynn, Haig, Leonard, Smith (Queens-Shelburne), and myself.

We have appearing before us this morning our friend, Dr. George Davidson, and his assistant, Mr. J. G. Glashan. I am going to invite him immediately to address us in connection with the expenditures for the Public Service in relation, of course, to the Main Estimates and Supplementary Estimates (B). I think I am expressing the wish of the committee in asking Dr. Davidson to put some emphasis especially upon the new votes and on matters that we have not had a chance of dealing with during the past month.

Dr. Davidson, you have the floor.

**Dr. George F. Davidson, Secretary of the Treasury Board:** Thank you, Mr. Chairman and gentlemen, for inviting me to appear once again before this committee. I think that on the previous occasions when I have appeared before you this year we had before us the Main Estimates and also Supplemen-

tary Estimates (A). Therefore, as the chairman has suggested, most of what I have to say by way of a brief introductory statement will have to do with the effect of the addition of Supplementary Estimates (B) to the requirements that have already been presented for approval earlier this year, and also to the main features of the individual items that are in Supplementary Estimates (B).

**Senator McCutcheon:** May I interrupt for a moment, Mr. Chairman? Dr. Davidson, when were Supplementary Estimates (A) tabled?

**Dr. Davidson:** Supplementary Estimates (A) were tabled, Senator McCutcheon, on June 28, 1967. If I may just run through the global figures very briefly, I will say that the Main Estimates for the year as presented in the Blue Book requested appropriation authority together with statutory items in the amount of \$9,535,000,000 odd. I am leaving aside the question of loans for the present. We can turn to those, if need be, later on. In Supplementary Estimates (A) we presented a further request, on June 28, for an additional \$49 million odd, and that brought the total to \$9,584,000,000.

On this occasion, with the tabling of Supplementary Estimates (B) on October 27 in the house, we are putting forward a request for an additional \$61.7 million, bringing the total up to \$9,646,000,000.

You may recall in this connection that the Honourable Mr. Sharp in his budget speech on June 1 of this year, I think it was, forecast for the year an expenditure figure of \$9.7 billion dollars and that subsequently, in a speech he gave in the house on October 4, 1967, he forecast an eventual expenditure figure this year of something in the order of 1½ per cent above that \$9.7 billion. That would mean roughly another \$150 million. So, on the basis of Mr. Sharp's statement in the house on October 4, it is his expectation that the eventual expenditures for the fiscal year 1967-68, when all supplementary requirements are taken into account, will run around 9.85 billion dollars.



**Senator Beaubien (Bedford):** Dr. Davidson, how would that compare with the previous twelve-month figure?

**Dr. Davidson:** The previous twelve-month figure, that is, for 1966-67, Senator Beaubien, was 8.794 billion dollars, which means that the anticipated 1967-8 total is about one billion dollars plus higher.

**The Chairman:** Dr. Davidson, this is excluding the loans and advances?

**Dr. Davidson:** This does not include loans, investments and advances, which are separately dealt with. It does not include old age security revenue and expenditure; it does not include the Unemployment Insurance Fund, which is separately dealt with; or the Canada Pension Plan; or a number of other accounts that are handled on an extra budgetary basis.

**Senator Beaubien (Bedford):** That is so in both years?

**Dr. Davidson:** That is so. It is also to be noted that when Mr. Sharp in his budget speech presented his original expenditure estimate of 9.7 billion dollars he forecast a deficit of \$740 million on budgetary account. When he presented his revised expenditure figure, 1½ per cent higher, on October 4, he also presented a revised estimate of revenues, at 1½ per cent higher, with the result that his forecast deficit as of October 4 remains unchanged.

**Senator Grosart:** Dr. Davidson, it is rather interesting that the figures for 1965-66 were 7.7 billion dollars; for 1966-67 they were 8.7 billion dollars, which is exactly one billion dollars up; and in the forecast now it is 9.7 billion dollars and more; we are going to be increasing the budgetary expenditures at a rate, over the three-year period, of one billion dollars a year. Is that correct?

**Dr. Davidson:** It is quite right.

**Senator MacKenzie:** What has been the inflation figure in that period? How much has the dollar inflation increased?

**Dr. Davidson:** I would have to get some help on that, Senator MacKenzie.

**Senator MacKenzie:** We would need to have that, to make a comparison between 1965-66 and the subsequent years.

**Dr. Davidson:** While the figures 9.8 billion dollars and 8.7 billion dollars represent the dollar escalation, they do not represent corre-

sponding purchasing power escalation because of the movement of wages and prices in that period.

**Senator McCutcheon:** It is more than the increase in the gross national product and that was about 4 per cent.

**Dr. Davidson:** Quite.

**Senator McCutcheon:** So there is about 6 per cent honest-to-God increase.

**Dr. Davidson:** I want it to be clear that a number of these elements of increase in the expenditure figure represent payouts of a very special kind. I would like to illustrate that by drawing attention to the fact that, under the Fiscal Arrangements Act, for example, in the same three-year period, the transfer of funds collected by the federal Government to the provinces under the Fiscal Arrangements Act has gone up from \$300 million in 1964-65 to \$600 million in 1967-68. This really involves shifting to the provinces the expenditure power that is represented by the funds that the federal Government collects by way of tax revenue.

**Senator McCutcheon:** Giving them authority without responsibility.

**Dr. Davidson:** Giving them the financial wherewithal and leaving with them the responsibility to spend it wisely, hoping that they do.

**Senator Kinley:** And they always want more.

**Dr. Davidson:** That is a natural human failing, Senator Kinley.

This outline I have given of the global picture indicates of course, as you would expect, that the Supplementary Estimates (B), presented now, will not be the final Supplementary Estimates presented for approval this year. There is traditionally a year-end final set of supplementaries in March, when we know what the ultimate requirements are—and it may be expected, therefore, that this figure 9.6 billion dollars will move upwards, as Mr. Sharp indicates, possibly as high as 9.85 billion dollars.

**Senator McCutcheon:** That is another \$200 million.

**Dr. Davidson:** That is quite possible.

**Senator Kinley:** Is the figure for Expo in this?



**Dr. Davidson:** No, sir.

**Senator Kinley:** Are there any extra expenditures for the other matters connected with Expo?

**Dr. Davidson:** The financing of Expo, as far as the federal Government is concerned, has been arranged on a loans basis, with the exception of the initial \$20 million that was provided by way of outright appropriation at the beginning of the exercise.

**Senator Kinley:** What about these centennial projects all over the country?

**Dr. Davidson:** These are funded out of current budgetary expenditure. These are shown as budgetary expenditures. But Expo has been in effect capitalized, and we still have to decide how we are going to write off the deficit on that account.

**Senator McCuicheon:** What you call a soft loan?

**Dr. Davidson:** Which we are amortizing over time.

**Senator MacKenzie:** The centennial projects across the country are pretty well within the \$100 million mark, I suppose, set aside by a previous government, is that not correct?

**Dr. Davidson:** The \$100 million was not set aside by the previous government.

**Senator MacKenzie:** As far as the recipients were concerned—this is so.

**Dr. Davidson:** There were statements made from time to time by a succession of governments as to how much money would be spent on the centennial.

**Senator MacKenzie:** There were expectations on the part of the recipients to the extent that they went ahead with projects.

**Senator McCutcheon:** With the exception of Toronto. We were very cautious.

**Senator Kinley:** They can still apply for centennial projects?

**Dr. Davidson:** Up to the end of this year, but I understand the arrangement is that they must complete their projects by December 31, 1968.

**Senator Kinley:** But are they not going to have to make an application now, but it will take some time before they would take note of it?

**Dr. Davidson:** I could not say.

**Senator MacKenzie:** Do you know if any further applications have been received, or if they have been received for some time?

**Senator Kinley:** They will be.

**Senator MacKenzie:** Not for new project. It was cut off some time ago.

**Senator Thorvaldson:** It is expected that the Expo deficit or part of it will be included in the March supplementaries?

**Dr. Davidson:** That is still to be decided.

**The Chairman:** Dr. Davidson, there is no vote here in the Supplementary Estimates (B) concerning Expo or the centennial?

**Dr. Davidson:** That is correct.

**Senator Kinley:** What about the under-privileged countries? Are we going to give them some this year?

**Dr. Davidson:** These are included and provided for in the main estimates.

**Senator Kinley:** \$150 million dollars.

**Dr. Davidson:** I can give you that in a moment, if you will just bear with me. The External Aid Program consists of a number of votes—\$2½ million for administration expenses—and that is being added to in the supplementaries, in Supplementary Estimates (B), by an amount of \$566,000 requested—I will explain that later, if you so desire. Then, under the heading of "economic, technical, educational and other assistance, including international development assistance," \$50 million is provided for this in the Estimates. There is also international food aid, \$75 million. There is the contribution to the Indus Basin Development Fund. \$5 million. There is international relief, \$100,000, for a total of \$130 million. That is given at Page 135, 136 of the main estimates, 1967-68.

In addition to that, there is provision for substantial amounts in the way of loans, which are given at page 591 of the main estimates, 1967-68, showing an amount of \$90 million, for special loan assistance for developing countries.

**Senator MacKenzie:** Mr. Chairman, I had this morning from the External Aid Department the estimate or figure for the past year of \$307 million in total. This year the figure is expected to be something around the order of \$360 million in all. These are totals.



**Senator McCutcheon:** Including loans.

**Senator MacKenzie:** This figure they gave me as a total expenditure by the Government of Canada under the general heading of External Aid. It was for all their programs. This was running to about one-half of one per cent of the gross national product with the goal or ceiling hoped for by 1970 or thereabouts of one per cent, which would increase this amount presently to about \$600 million; but by 1970 the gross national product will be higher so that the amount may well be up close to \$1 billion under this heading.

**The Chairman:** Well, honourable senators, if you permit me, I think the main purpose of the meeting this morning is to go through the Supplementary Estimates B, which votes are new, that is, constitute new items, and I am just wondering if it would not be good idea to let Dr. Davidson go through these Estimates and then we will open the question period. Would you agree to this?

**Hon. Senators:** Agreed.

**Senator Pouliot:** The presentation, as we call it, which will be made by Dr. Davidson will be very interesting, but as he is the Secretary of the Treasury Board I have one or two questions to put to him about the Treasury Board.

**The Chairman:** Yes, go ahead, senator.

**Senator Pouliot:** Dr. Davidson, under No. 8 there is an item of \$183,908,001 for the Treasury Board. Will you please tell me if that represents salaries only?

**Dr. Davidson:** Have you got the Blue Book of Estimates there, Senator Pouliot?

**Senator Pouliot:** Yes, I have it. I have not got the Blue Book but I will get a copy of it; I have the Supplementary Estimates B.

**Dr. Davidson:** The figure of \$183 million to which you refer is included in the Main Estimates, not in the supplementary Estimates, and, for the detail of what that \$183 million consists of, I would refer honourable senators to page 560 of the Blue Book.

**Senator Pouliot:** Of the Main Estimates? Thank you. Now, will it be possible to have a tabulation of the amounts that we have spent each year for the Treasury Board since its establishment?

**Dr. Davidson:** I am afraid that that is not possible, Senator Pouliot. It is not possible

for the reason that the Treasury Board has not appeared in the Estimates as a separate department of Government before this year. It was included in the Department of Finance's estimates and there is no basis in the Estimates of previous years for segregating the Treasury Board element from the rest of the Department of Finance.

**Senator Pouliot:** Can you give it to us for the last 10 years?

**Dr. Davidson:** No.

**Senator Pouliot:** There must be records of some kind.

**Dr. Davidson:** There was no separate accounting kept for the Treasury Board as separate from the Department of Finance.

**Senator Pouliot:** So you do not know what the Treasury Board has been spending?

**Dr. Davidson:** We can give you an approximate figure, and the approximate figures for 1966-67 are set out on page 560.

**Senator Pouliot:** How long have you been at the Treasury Board?

**Dr. Davidson:** Since 1964.

**Senator Pouliot:** You must know at least for those three years what has been spent by the board, then.

**Dr. Davidson:** In the accounts of the Treasury Board there are accounts for salaries and travel, and there are accounts for stationery supplies, telegrams and postage, and so on, but until the separation of the Treasury Board from the Department of Finance none of these have been kept separate from the Department of Finance's accounts, because these were part and parcel of the Department of Finance.

**Senator Pouliot:** Do you not report to the minister the total expenditure of the board each year?

**Dr. Davidson:** Our expenditures as a Treasury Board staff for travel and all the rest of it were part and parcel of the expenditures of the departmental administration in the Department of Finance.

**Senator Pouliot:** Well, it was charged to you.

**Dr. Davidson:** To the Department of Finance.



**Senator Pouliot:** And you do not know what it was?

**Dr. Davidson:** I can give you an approximation of what it was.

**Senator Pouliot:** I would like to know at least for the last 10 years what has been spent.

**Dr. Davidson:** Well, we will try to get the approximation of that for you. I will emphasize again, however, that there was no separate vote for the Treasury Board.

**Senator Pouliot:** It could be found in the Estimates.

**Dr. Davidson:** No, sir.

**Senator Pouliot:** There was no item for the Treasury Board?

**Dr. Davidson:** No, sir.

**The Chairman:** No accounting was kept, senator.

**Senator Pouliot:** No item was kept for the Treasury Board?

**Dr. Davidson:** No, sir, not separately.

**Senator Pouliot:** Not even in the detail of the vote?

**Dr. Davidson:** That is correct.

**Senator Pouliot:** There was nothing for the Treasury Board?

**Dr. Davidson:** You will not find the Treasury Board mentioned as a separate item in the Estimates at any time up until 1967-68.

**Senator Pouliot:** Then, since 1957-58 can you give us some figures?

**Dr. Davidson:** I said 1967-68; this year.

**Senator Pouliot:** This year. Now, another question, and it will be the last one for the present time: what is the meaning of the \$1 item that is there? How much money does it represent?

**The Chairman:** I think, Senator Pouliot, if you permit me, Dr. Davidson will go over all the items and the votes of the Supplementary Estimates B and he is going, of course, to give the details on these in a few minutes. There are three cases of \$1 items in the Supplementary Estimates B, and he is going to give that.

**Senator Pouliot:** I thank you, Mr. Chairman, for having given me the opportunity to ask my questions.

**The Chairman:** That is fine.

**Senator Pouliot:** I would not ask them, as you know, without your permission.

**The Chairman:** Thank you, senator. Now, Dr. Davidson, will you go ahead with your explanation of the details of Supplementary Estimates (B), with the understanding that the committee agreed that we are going to have the question period after the statement is completed. Thank you.

**Dr. Davidson:** Perhaps I could draw attention, Mr. Chairman, to two aspects of the Supplementary Estimates (B): first of all the larger items to which I will make some special reference, and then, as honourable senators have on previous occasions shown interest in \$1 items, I will give a brief rundown of what the significance of the \$1 items is, including the \$1 item Senator Pouliot referred to.

The largest single item in the Estimates this year has to do with Manpower and Immigration and is made up of two items. If you turn to page 3 of the Supplementary Estimates (B) you will find first of all the initial provision of \$5 million made for the winter works incentive program which the Government announced its intention to carry on for a further period in this fiscal year. The provisions of the winter works incentive program this year have been modified somewhat. The period of time in which municipal winter works incentive programs can be qualified for assistance out of this vote has been shortened. It is now a five-month period. The provinces have their option of beginning their programs on November 1—that is to say yesterday—and terminating them on March 31. Or they may begin them on December 1, and terminate them on April 30. That is to take account of seasonal differences in different parts of the country.

The other provisions are very much the same so far as financial sharing of costs is concerned. There is 50 per cent participation in the labour costs related to these municipal winter works incentive programs in most parts of the country, with 60 per cent participation in designated areas, where, by definition, the employment situation is likely to be somewhat softer than in the rest of the country.



There has been, I believe, an announcement made of the intention to tighten up and limit the application of this program to projects that are more substantial in nature than they have been in previous years, and in particular, the so-called "leaf-raking" projects have been eliminated from this Municipal Winter Works Incentive Program.

**Senator Grosart:** Mr. Chairman, I wonder if it might be better for us to ask our questions as soon as Dr. Davidson has explained the particular item?

**The Chairman:** Yes. If it is the wish of the committee that, as soon as Dr. Davidson has ended his remarks on one item, you ask questions on that item, that is fine with me.

**Senator Grosart:** Then, Mr. Chairman, may I ask: Is this vote in any way legislative, or has the authority been given to this extension of the Municipal Winter Works Incentive Program by another act of Parliament?

**Dr. Davidson:** There is no act of Parliament Senator Grosart, dealing with the Municipal Winter Works Incentive Program, but for years it has been approved by the legislative authority which is represented by the vote itself.

**Senator Grosart:** So this is legislation by supplementary Estimates?

**Dr. Davidson:** Well, every vote of the Estimates is legislation.

**Senator Grosart:** I agree, but that is not what I asked. This is legislation, an amendment to an act, by supplementary Estimates?

**Dr. Davidson:** No.

**Senator Grosart:** An extension of the act?

**Dr. Davidson:** It is not an amendment to an act, because no act exists. There is no such thing as a municipal winter works incentive act. If it were not for this appropriation, there would be no Municipal Winter Works Incentive Program and no money appropriated for it. This vote stands by itself, and while one could argue with respect to this vote and any other in the Estimates, that it should be made the subject of a special enactment, such as a municipal winter works incentive act, there is no violation of the legislative pattern that has been laid down in legislation by Parliament involved in a vote of this kind.

**Senator Grosart:** But this is legislation without an Act of Parliament.

**Dr. Davidson:** Other than the vote wording itself.

**Senator Grosart:** But a vote is not an Act of Parliament.

**Dr. Davidson:** With respect, it is —

**Senator Grosart:** It is not an Act of Parliament.

**Dr. Davidson:** Yes, it is. It is a clause in an Act of Parliament. This precise wording is contained in the schedule to the Appropriation Act that would be passed before these estimates can be authorized. Therefore, it is as much a clause in a schedule to legislation as any provision of any other law.

**Senator Grosart:** Is the Governor General given the power to make regulations?

**Dr. Davidson:** In this particular clause, just as in many enactments of substantive legislation, there is a provision saying that regulations may be passed by the Governor in Council.

**Senator Burchill:** I just want to know, Dr. Davidson, how the estimated figure here compares with the actual amount spent last year.

**Dr. Davidson:** The actual amount spent last year, as I recall it, was of the order of \$37 million; and I should explain—and I should have explained in my introductory statement—that this \$5 million is not intended to be the total cost of the Municipal Winter Works Incentive Program. The program has been announced as one involving an estimated expenditure of about \$25 million. This is the amount that is likely to be required, we estimate, in the balance of the current fiscal year, and most of the expenditure will, in fact, probably not be made until after April 1, when the accounts come in.

**Senator Molson:** Mr. Chairman, there is no Vote 6 in the main Estimates, so this is the whole amount to date?

**Dr. Davidson:** That is correct.

**Senator Molson:** If the same thing happened last year, where the global sums were of the order of \$25 million, where was that taken up last year?

**Dr. Davidson:** That would be shown in a supplementary Estimate last year. It was



either Supplementary Estimates (B) or (C), and would be shown probably as Vote 6, the same as this.

The pattern of vote numbering is that we use 1, 5, 10, 15, and so on, in the main Estimates and then when we are introducing new items in supplementary Estimates we will put a number in between and label it "b" to show it comes in Sups. (B).

**The Chairman:** We are still on Manpower and Immigration.

**Dr. Davidson:** It was Vote 6c in 1966-7, Senator Molson.

**Senator Denis:** At the end of the Blue Book you have a large sheet showing the main Estimates summary. At the end there is a net total estimated expenditure for 1967-68 of \$249 million for Agriculture—this is only an estimate—and in the second line below that you have for 1966-67 a figure of \$145 million. I want to know if that includes all the supplementary Estimates. Is it the exact amount of the expenditures in 1966-67, while 1967-68 is only an estimate?

**Dr. Davidson:** Senator Denis, the amount shown there, on the line for 1966/67, of \$145 million did not include the final supplementary provision to the Department of Agriculture of \$97 million, largely for the agricultural stabilization support payments.

**Senator Denis:** But is it that way every year, or because it was too late to put it in?

**Dr. Davidson:** It was that way every year until 1967/68, when for the first time we decided, as I explained to the committee earlier, to include in the main Estimates our forecast of the amount we would have to reimburse to the Agricultural Stabilization Fund. The comparable figure is the \$249 million shown for Agriculture in 1967/68.

**Senator Denis:** It might be higher than that because you have a supplementary Estimate.

**Dr. Davidson:** Last year the complete figure was \$236.

**Senator Denis:** Spent?

**Dr. Davidson:** Estimated, last year.

**Senator Denis:** So they are only estimates, and we cannot rely on those figures in order to know how much money such-and-such a department has cost? It is only an estimate?

**Dr. Davidson:** Could I remind you, Senator Denis, that that table you have in your hand was printed in January, 1967 and in March 1967 we presented to Parliament a final supplementary which involved \$97 million for the Department of Agriculture, additionally. So, all this table can give you in terms of the current year, in which we are operating at the time we present this table, is Estimates that have been approved or presented to Parliament up to the time of printing.

**Senator Denis:** And next year is it going to be the exact amount which we are voting there?

**Dr. Davidson:** We expect the Department of Agriculture, before the end of the year, will have to present a further supplementary Estimate to cover the additional cost of payments that will be made by the Canadian Dairy Commission arising out of a change in the course of this year in the legislation which establishes the basis of paying subsidies to the dairy producers.

**Senator Denis:** With that sheet we do not know how much each department has cost in the previous year.

**Dr. Davidson:** Senator Denis, as of the time we printed this—

**Senator Denis:** I know that you have said that.

**Dr. Davidson:**—this figure shown as \$145 million was all that Parliament up to that point had been asked to authorize to the Department of Agriculture for the fiscal year. We could not include in this figure any future forecast requirement that might be asked—

**Senator Denis:** In the same year?

**Dr. Davidson:**—in the same year. By the same token this amount of \$249 million for 1968 represented at the time we printed this the best estimate we could make, as shown in the Blue Book being presented to Parliament, of what Agriculture would require. There is no means of ensuring as of January 1967 that some additional requirement is not going to be placed upon the Department of Agriculture in the next 15 months which will require a supplementary Estimate which will make this figure obsolete.

**Senator Denis:** Would it be possible to delay the printing of this sheet or summary until you are able to obtain a total figure?



**Dr. Davidson:** Well, this table is given for purposes of information.

**Senator Denis:** Yes, but it is bad information.

**Dr. Davidson:** Well, we would be very glad not to have to produce this figure until the end of the fiscal year, but I assure you that if we did that the members of Parliament would be criticizing us for failure to provide them at the time the Estimates are tabled in Parliament with the best information available at that time.

I would remind you that the document here has to be produced and tabled in Parliament before the beginning of the fiscal year for which the money is requested.

**Senator Grosart:** It is an estimate.

**Senator Denis:** In order to get the exact figure all we have to do is ask the department—

**Dr. Davidson:** As of the end of a fiscal year a department cannot, in fact, tell what the total expenditure for that year has been. No department can tell you on March 31 to the last dollar what its expenditure for that year was. The accounts for the previous fiscal year are not closed until June 30. It is not until the Comptroller of the Treasury produces the Public Accounts that we can give a precise figure on the expenditure in the previous year.

**Senator Grosart:** Dr. Davidson, it might be helpful in this case if you would relate the Estimates in the Blue Book to the statement that appears, in this particular case, in the *Canada Gazette*, Part I of September. I think that this would answer the question. This is where you have your final statement.

**Dr. Davidson:** May I see that?

**Senator Grosart:** Yes.

**Dr. Davidson:** This is the *Canada Gazette* statement on budgetary revenues and expenditures, which is the concluding statement for the year, and is prepared after all the accounts have been put together towards the end of June. This shows that the Department of Agriculture had a total expenditure for 1966-67 of \$230 million, as compared with the \$249 million which is in the Estimates for the current year, and which will undoubtedly have to be supplemented before the end of the year with another \$30 million or \$40 million representing the additional obligation

arising out of the changes in the dairy products pattern of subsidies.

**Senator McCutcheon:** What is the date of that issue?

**Dr. Davidson:** September 9, 1967.

**Senator Kinley:** Does that include the general projects as between the provinces and the dominion in agriculture?

**Dr. Davidson:** Yes, sir, to the extent that we are involved in cost-sharing with the provinces.

**Senator Kinley:** Most of it is spent by the provinces? The money is given to the provinces, and is spent by them under agreement?

**Dr. Davidson:** No, sir.

**Senator Kinley:** How is it spent?

**Dr. Davidson:** The major item shown here is \$88 million out of the \$230 million, which represents the net operating loss of the Agricultural Stabilization Board's operations in 1966-67. That represents a direct payout by the Agricultural Stabilization Board, for which the Treasury has to reimburse the Agricultural Stabilization Board.

**Senator Kinley:** Who gets the money?

**Dr. Davidson:** The farmers.

**Senator Kinley:** The provinces?

**Dr. Davidson:** No, the farmers.

**Senator Kinley:** It goes directly from us?

**Dr. Davidson:** Yes, sir.

**Senator Kinley:** And not through the provincial administrations?

**Dr. Davidson:** That is correct.

**The Chairman:** Honourable senators, I ask for your kind co-operation. If we want to proceed in good order I would point out that we are still on the items under Manpower and Immigration. Are there any other questions?

**Senator Hays:** Dr. Davidson, do you have a breakdown of the amount that the provinces received in respect of Municipal Winter Works Incentive Programs?

**Dr. Davidson:** No, sir, at least, we have not that information here. We might be able to furnish you with a record of expenditure



for a previous year, but I think it will be almost pointless to try to give you any rough estimate of what we expect to be spent by the different provinces in the current year. Would you like us to send you the breakdown by provinces?

**Senator Hays:** Yes, for the last year.

**Dr. Davidson:** Perhaps I could file that with the committee, Mr. Chairman.

**The Chairman:** Yes.

**Senator Thorvaldson:** I have one question on this. Is this amount of \$5 million the same amount—was a similar amount contributed to the Municipal Winter Works Incentive Programs last year.

**Dr. Davidson:** No, sir. I have the figures here. The Municipal Winter Works Incentive Program involved, in 1966-67, total expenditures of \$37.7 million. In 1965-66 \$41 million was spent on municipal winter works.

**Senator Thorvaldson:** So this item of \$5 million is in addition to the item in the main Estimates?

**Dr. Davidson:** No, sir.

**Senator Thorvaldson:** This is the whole thing?

**Dr. Davidson:** No, sir.

**Senator Thorvaldson:** In other words, it would appear that we are phasing this out?

**Dr. Davidson:** The total estimated cost of the Municipal Winter Works Incentive Program for this winter that compares with the figures of \$41 million and \$37 million, which I have given you for the last two years, is \$25 million. We expect the total cost this year of this program to be \$25 million. We are asking for \$5 million now because in the early months of the Winter Works Program relatively little is required in the way of funds to pay the provinces and municipalities because of the delay in the submission of accounts. The balance of this estimate, namely, \$20 million, may have to be asked for in final supplementaries this year, or possibly paid out in the succeeding fiscal year.

**Senator Thorvaldson:** Thank you. That answers my question.

**The Chairman:** Dr. Davidson, if there are no other questions on this item would you proceed to another item?

**Dr. Davidson:** May I proceed to the additional item, Mr. Chairman, Vote 10b, which represents a total of \$25 million, pursuant to the explanation which is given over the page.

Honourable senators are aware of the fact that in the last 12-month period there has been a major shift in the policy of the federal Government with respect to the way it handled the vocational and occupational training program. Up until March 31 of this year we were jointly sharing with the provinces the occupational training of adults. The provinces were providing the facilities, and we were helping to construct the facilities. They were providing the teachers, and we were sharing with them the cost of that program. There was no clear line of demarcation between occupational training provided for adults and vocational training provided for young people still in the later stages of their formal schooling.

The federal Government in the last year negotiated a new arrangement with the provinces under which the federal Government would no longer contribute to the vocational training of young people still in the school system, but would take over the entire responsibility for providing, through purchase arrangements with the provinces, occupational training for persons labelled as adults.

**Senator Grosart:** Did you say "negotiated with the provinces"?

**Dr. Davidson:** Yes.

**Senator Grosart:** That is not the provinces—

**Dr. Davidson:** No, we have negotiated contracts with the provinces, and they have been signed with the provinces.

**Senator Belisle:** You say that you have an agreement with the provinces. Do you have the companies involved in those? What I have in mind is something I read yesterday to the effect that Inco will be needing approximately 1,000 miners, and the Department of Manpower and Immigration is going to gather information from across the provinces with respect to miners, train them, and send them to Sudbury. This is to help a company that makes an annual profit of over \$100 million. Such a company should be able to pay its own way.

**Dr. Davidson:** I have no doubt that the Department of Manpower and Immigration, if it sees a need to train men for employment



in the mining industry, or in any other industry across Canada, will be prepared to set up training programs.

**Senator Belisle:** And pay the whole cost?

**Dr. Davidson:** Yes.

**Senator Croll:** Yes. We cannot wait for Inco to do it. If they do not do it then these people are unemployed and doing nothing. It is our task to train them in order that they may get a job wherever they can.

**Senator Belisle:** In other words, we take away the initiative of a private company to look for men?

**Senator Croll:** They look for men.

**Senator McCutcheon:** They found the men in Europe and they would not let them in. However, let us not get into that argument, or we will be here all morning.

**Senator Grosart:** Can you explain the theory under which this Municipal Winter Works Incentive program was brought in, under Estimates, and not by a separate Act of Parliament, as in the case there of the vocational training? What is the authority on which you bring in legislation here rather than in Act of Parliament—or, to put it another way, why not dispense with Acts of Parliament entirely and bring everything in here in the Estimates?

**Dr. Davidson:** That is a good question.

**Senator Grosart:** Is there a good answer?

**Dr. Davidson:** I think the only good answer I can give you is—and I am not sure how good it is—that originally the Winter Works Incentive Program was started as an emergency measure in the middle of the year, because the government of the day regarded itself as facing a critical situation for which it had not made provision at the time the main Estimates were presented.

**Senator Thorvaldson:** What year was that?

**Dr. Davidson:** I think the Winter Works Incentive Program was—

**Senator Grosart:** It was under the Honourable Michael Starr, anyway, to correct a condition that had been inherited from the previous administration.

**Dr. Davidson:** Rightly or wrongly, the decision was made at that time by the authorities of that day, to put this in by way of an item

in the Estimates. Now, if you had been around, Senator Grosart, I am sure you would have been raising questions about why it was done in this way.

**Senator Grosart:** I was raising other questions at that time?

**The Chairman:** If you are through with this argument—or have you another question?

**Senator Grosart:** No, that was my question.

**Dr. Davidson:** Can I go back to the \$25 million. The change in the federal Government's method of dealing with vocational training meant that, whereas up until March 31 the legislation provided for cost sharing with the provinces, from April 1 on the new legislation provided for direct payment by the federal Government which now pays training allowances directly to the people during the period of training and negotiates with the provinces contracts for the purchase of so many hundreds of thousands or millions of training days. The federal Government pays for these at the full declared cost of providing the training.

This change meant that we had to draw a line of demarcation between the financial provision that was required to reimburse the provinces under that old program on the cost sharing basis and the financial provision that is required to finance the federal Government's new program.

An estimate was made and put in the main Estimates at the time, suggesting that it would take \$15 million to clean up the arrears of our obligations with the provinces under the old program. That estimate proved to be far off the mark. The provinces have now come in with a substantial number of accounts, representing training days that were provided under joint programs, going back into 1966-67, and in some cases going back into previous years. That has occurred because the municipalities have not submitted their accounts promptly to the provinces and the provinces have not submitted their accounts promptly to the federal Government. The net result has been that we find we have \$25 million worth more of accounts due to the provinces, from claims that are now being submitted in respect of 1966-67 and previous years—\$25 million more than was estimated at the time the main Estimates were presented. We have to make up this \$25 million by supplementary provision.



**Senator Grosart:** On the same item, would you explain the method by which a vote was used to put that act into force by order in council before the act was passed? I am sure you will recall the situation.

**Dr. Davidson:** I think I am correct in saying, Senator Grosart, that the vote is actually in the main Estimates of this year, is it not?

**Senator Grosart:** The vote was used—I thought you might explain this—the Act was in force before it was passed by Parliament, it was put in force by order in council. The excuse used for what even the Government said was an extraordinary method of handling it so that it was in the vote—this is, I think, relevant to my whole complaint about this backdoor method of legislation, and this is a perfect case. I asked a question in the Senate, and the Leader of the Senate himself said that he could not justify it.

**The Chairman:** This might be a good case of argument in the house, senator. If you do not mind, we will proceed further on other items.

**Senator Grosart:** I was asking a question. No one has explained it to me, and I thought Dr. Davidson could give it, because it does refer to the Estimates.

**Dr. Davidson:** I am frank in saying that I think this is a very valid comment. Governments are constantly faced with the dilemma of deciding what they should put out on the table before Parliament by way of a full legislative bill, requiring resolutions that have to be read once, twice, three times, and then put through three stages of consideration in the bill stage itself. On the other hand, what items do they regard as being so urgent that they have to resort to the device—and I use those words advisedly, because every Government that I know of has done it ever since time began—resort to the device of putting into the Estimates requests for authority which, if the parliamentary timetable were much lighter than it is, would probably be presented in the orthodox way by way of a full-fledged legislative proposal.

The simple fact is that the Government—as of the time when the changeover from the last fiscal year to this fiscal year was taking place—found itself in the position where, with the old program disappearing on March 31, the provinces had been given commitments, as of last October, that a new program would replace it. The Government

had to decide how it was going to act, to ensure with reasonable dispatch, after the first of April, that it could begin to honour the commitment it had made to the provinces that a new program would be put in its place.

I do not justify this. I am simply saying that this is what was in the mind of the Government in deciding that it would resort to an item in the Estimates, and it is up to Parliament to decide whether it is going to approve that item in the Estimates, or whether it is not going to approve it.

**Senator Grosart:** After the money is spent.

**Dr. Davidson:** Well—

**Senator Grosart:** Mr. Chairman, I raised this point because it has been said over and over again that one of the functions that the Senate should undertake is to scrutinize the spread of the exercise of arbitrary authority by the executive *vis-a-vis* Parliament and I believe it is a proper subject for us to discuss in this Finance Committee of the Senate.

**Dr. Davidson:** I agree.

**Senator Grosart:** I say no more.

**The Chairman:** This is a valid point for argument, Senator Grosart.

**Senator Grosart:** I am not arguing. I am asking questions.

**The Chairman:** That question has been answered, it may be not to your full satisfaction.

**Senator Thorvaldson:** I suggest we proceed with other matters, Mr. Chairman.

**The Chairman:** We are still on Manpower and Immigration, and I have the name of Senator MacKenzie.

**Senator MacKenzie:** Does this \$25 million include the phasing out of capital projects?

**Dr. Davidson:** No sir, this is in a separate item in the main Estimates and the amount included in the main Estimates for capital assistance grants for this year is \$120 million. It is on page 295 of the main Estimates.

**Senator MacKenzie:** A five-year term? The phasing out is likely to take about that period?

**Dr. Davidson:** I think it is expected that by 1974—I may be wrong in the date—



**Senator MacKenzie:** As long as that?

**Dr. Davidson:** That is the figure in my mind, Senator MacKenzie. There is a formula which provides that there will be federal 75 per cent sharing of the cost of new capital construction for vocational and occupational training establishments, up to the point where a certain per capita figure of the population within the training age group is reached.

After that the federal contribution is reduced to 50 per cent until a further ceiling is reached, and this involves a total amount still to be made available of several hundred millions of dollars which will be spaced over a period of years.

**Senator MacKenzie:** Up to about 1974, you expect.

**Dr. Davidson:** Certainly not later than that. It may be one or two years earlier.

**Senator MacKenzie:** Thank you.

**Senator O'Leary (Antigonish-Guysborough):** Is it the provinces that decide the number of training days? And are the training days figured on the basis of a year or is there an estimated number of training days required?

**Dr. Davidson:** The federal Government takes the decision as to the number of training days that it thinks it will require for referral of the people that it selects for training in provincial training centres.

**Senator O'Leary (Antigonish-Guysborough):** But that is an estimate. Is there financial provision made for it? Perhaps I should go a step further: is it possible that these training days would not be utilized and that the Government would still be paying for them?

**Dr. Davidson:** It is theoretically possible, yes. I believe that the agreements with the provinces provide that whatever number of training days the federal Government contracts for it is under an obligation to pay for, whether or not they are used. The only exception to that is if there are unused training days on the federal account which the province, for its own reasons, wishes to take back in order to train some of the people for whom it is responsible. Any days that the province uses from the federal pool are deducted from the number of days for which the federal Government has to pay.

**The Chairman:** Are we through, honourable senators, with the Manpower and Immigration item? We might pass on to some

other items. Perhaps we might tackle right now the \$1 items. We have three of them.

**Senator Grosart:** We have five of them.

**The Chairman:** Five? At any rate, Dr. Davidson, would you comment on those?

**Dr. Davidson:** The first \$1 item is to be found on page 3, Mr. Chairman. It is Vote 30b of the Supplementary Estimates (B), and this is in effect requesting authority to extend the authority that was asked for in a previous vote wording. The only legislation that is affected here is the legislation of the vote wordings themselves.

In the main Estimates for 1967-68, Vote 30—and I will give you the page on that, page 225—you will find for the first time a provision entitled Northern Mineral Assistance Grants:

To authorize in the current and subsequent fiscal years, in accordance with terms and conditions prescribed by the Governor in Council, northern mineral development assistance grants to individuals and corporations, in order to assist in the mineral and economic development of the Canadian north, and to authorize total commitments in respect of development assistance grants in the current year and subsequent fiscal years not exceeding \$9,000,000.

This is a request for a sum of money, and a commitment authority exceeding that sum of money, to encourage development in the mineral exploration field in the northern territories.

It was expected at the time that the amount was put in the main Estimates that a maximum commitment of \$9 million over-all would be sufficient in the current and subsequent fiscal years and that not more than \$3 million would be needed in cash in the current year.

As a result of an arrangement made with an exploration company in the north—a company that brings together a number of major exploration companies in the north—it has been necessary to enter into an arrangement with this exploration company to an extent that involves increasing the commitment of \$9 million to \$18 million. The cash required for this year is no greater than the amount provided in the main Estimates, so that all this vote wording is doing is increasing from \$9 million to \$18 million the amount of the total commitment authority that the Govern-



ment is allowed to make with respect to joint projects with exploration companies in the north.

The cash effect on this year's supplement will be nil. It will still be contained within the original \$3 million, and that is why the expenditure is shown as net \$1 rather than as a substantive amount.

**The Chairman:** So, doctor, if I understand you well, the purpose of this \$1 vote would be to cover the authority to enter into commitments.

**Dr. Davidson:** Correct. Since the commitment to this one company is of the order of \$9 million, if the Government were to limit itself to the authority that it requested in the original vote, it would have used up its total commitment authority on this one exploration arrangement and there would be no possibility of the Government providing assistance by way of development grants to any other exploration companies in the north.

**Senator McCutcheon:** This is authority to plant the seed, and we will reap the fruit in the future?

**Dr. Davidson:** We hope.

**The Chairman:** Are there any other questions about Vote 30b? We might pass then, Dr. Davidson, to another \$1 item. The next one.

**Dr. Davidson:** The next one, sir, is on page 4. This is a strange little story of an employee who was dismissed from employment on January 11, 1957. This employee was later found to have been dismissed wrongfully and amends are now being made through this vote wording, which reinstates her in employment during the period in which she was wrongfully dismissed and restores all the rights that she would have had under the Public Service Superannuation Act and the Public Service Terms and Conditions of Employment Regulations if she had not been wrongfully dismissed. This is rectification of an injustice. It is legislation of an isolated instance. One could argue, I suppose, that the right way to do this is to present a bill to Parliament to grant relief to this lady, but this is the device that is used. As a matter of fact, it has been used on a good number of occasions in the past, although that does not make it right.

**Senator Beaubien (Bedford):** How much is it likely to cost, do we know?

**Dr. Davidson:** It would be extremely difficult to say, Senator Beaubien. There is a

period of four and a half years to take into account.

**Senator Beaubien (Bedford):** Will she get a full salary? She did not work.

**The Chairman:** The question is does she get the full salary for the years she was deprived?

**Dr. Davidson:** I would have to check on that.

**Senator Croll:** I would think so; otherwise, if she was improperly dismissed it would not be just. Was she a senior employee?

**Dr. Davidson:** No.

**Senator Croll:** It is just one of those things that happen.

**Senator McCutcheon:** She would have been granted leave of absence without pay. This just restores her pension rights, and so on.

**Dr. Davidson:** I could not answer the question about salary, but I am satisfied that what this does give the woman is four and a half years of credit for employment under the superannuation. It may be that her pay has already be reinstated and does not require this authority.

**Senator McCutcheon:** It says right in the item that she will be deemed to have been on leave of absence without pay.

**Dr. Davidson:** Oh, yes, I am sorry.

**The Chairman:** Are there any further questions?

**Senator Grosart:** In view of the fact that these items do recur, would it not be sensible to amend the appropriate acts, for example, the Manpower Act, to give to a department where a case like this arises, the authority to handle it?

**Dr. Davidson:** This is really a matter of judgment, Senator Grosart. There are all sorts of situations that arise from time to time, and short of giving a blanket authority to the Governor in Council to deal by regulation, in any way the Governor in Council wishes, with any form of unusual situation, I do not know how you could get an authority that would cover all these situations. I would myself suggest that there would be more reason for concern if you gave that kind of authority to the Governor in Council, than if you came back and asked for further author-



ity from Parliament as contained in this vote wording.

**Senator Grosart:** It is a very small addition to the powers of the Governor in Council.

**Senator McCutcheon:** Under the first system you would never know what happened.

**Dr. Davidson:** That is right. You say, Senator Grosart, it is a very small addition to the authority of the Governor in Council, but by the time you figure what comes under the Governor in Council's authority to deal with every situation that might arise and to prevent these situations from ever recurring again, you would find, I think, that you would have given the Governor in Council authority to re-write the Public Service Superannuation Act in any way he wants to.

**Senator Grosart:** I would not hesitate to give the Governor in Council the power to reinstate an employee who had been wrongfully dismissed. It would not break my heart if he had that power.

**Dr. Davidson:** To reinstate them under the Public Service Superannuation legislation too.

**Senator McCutcheon:** I think the least power they have, the better.

**The Chairman:** Can we pass to another 1 dollar item, gentlemen? It is on page 6, I think, Vote 40b.

**Dr. Davidson:** This is one of the items that on a previous occasion I have argued is not really a violation of the canons of purity to which Senator Grosart is trying to hold us.

What this vote of one dollar involves is, in effect, a request to Parliament to authorize the two projects listed here to proceed in the current fiscal year; and instead of asking Parliament for the \$1½ million that would be required to carry out those projects, the effect of this vote wording is to say to Parliament, "We have funds which are not likely to be expended in this particular vote, and if you will authorize us to proceed with these two projects, we will set off the \$1½ million we are not going to spend against expenditures that are occurring on these two new items."

**Senator Croll:** The projects you did not spend this amount on, how do you explain that to the member concerned?

**Dr. Davidson:** You do not. There are always slippages.

**Senator Croll:** It is a pretty large sum of money.

**The Chairman:** It is a good question, Senator Croll. It was raised before by another senator, whose name I do not remember, who said that in a case like this it would be interesting to know what specific project has been put aside. I do not know if this can be done.

**Senator Croll:** What is the vote?

**Dr. Davidson:** Item 40 in the main Estimates involves \$19.9 million.

**Senator Croll:** On what page does that appear?

**Dr. Davidson:** Page 421.

**Senator Grosart:** The danger in this situation is that perhaps the department says, "We have some money we have not spent, and we had better find a way of spending it."

**Dr. Davidson:** That may very well be the case, Senator Grosart.

**Senator Grosart:** That is a surprising admission from you.

**Dr. Davidson:** No, that may very well be the case. The Government is coming and telling you what it wants to spend the money on. It is for the members of the Senate and the members of the House of Commons to say whether or not they are prepared to approve that.

**Senator Croll:** It shows that the work on the Alexandra Bridge is not completed yet.

**Dr. Davidson:** It just so happens, Senator Croll, that the work on the Alexandra Bridge has already been done.

**Senator Thorvaldson:** It involves a vote that has already been made.

**Dr. Davidson:** Yes, for shifting the balance of expenditures from other projects previously announced to these projects.

**The Chairman:** We now pass to page 7.

**Dr. Davidson:** Honourable senators may recall this very sad story that appeared in the papers around Christmastime, when a bomb was put in the mailbox of a guard at the penitentiary in British Columbia and it injured him and his son. There is every reason to believe that this was done by some malicious person who had had an experience



with the guard while he was serving a prison sentence. There is no way of proving it. This man was not on duty at the time. From some points of view one could say it was an accident; that it has no connection with his employer-employee relationship; that it had nothing to do with the fact he is a prison guard; and that he and his son can just face up to the consequences of an accident to an ordinary, private citizen. The Government feels there is every justification for assuming that these injuries that occurred to this man and his son had some relationship to the fact that he was employed in the penitentiary, and while we cannot cover him under the law as it exists now, under the Government Employees' Compensation Act, and although it cannot be suggested, and no one suggests, it occurred during the course of or was related to his employment, the Government feels it has an obligation to meet the costs set out here, and is asking for authority to do so. It could be done by means of a special bill again, but if you multiply them and try to work them into the parliamentary timetable, with legislation of major importance still being held up for weeks and months, there is no telling when relief of this kind would ever get to be granted to the individual affected. That is why we put it in here.

**Senator Molson:** Why do they put it as a dollar item when the cost of this particular item will be anything but a dollar? Why do they not put in some other figure?

**Dr. Davidson:** We do not in fact know at this stage, Senator Molson, what the cost will be, and while I would not guarantee that we will do so, I think it is quite probable that we will in subsequent years insert what we call an "S" item, a statutory item, each year to show you, when we get closer to getting an estimate of the moneys involved, what we estimate the cost will be, year after year, that results from this authorization being requested. But this gives us legislative authority to meet this obligation, and we will try to give you in subsequent years, no doubt, the best estimate we can of what this particular item will be.

**Senator McCutcheon:** Subsequently it will appear under statutory items?

**Dr. Davidson:** Yes, and will not require a vote of Parliament.

**Senator Thorvaldson:** Also the final amount might be subject to a certain amount of negotiation with the persons involved.

**Dr. Davidson:** At the present time we are not clear whether other insurance will offset the expenses to be met. We make a distinction here between the father and the son. In the case of the son, who was not an employed person at all, we are taking responsibility for the rehabilitation expenses. Nobody knows at the present time how long they will last or how extensive they will be and, therefore, we really have to ask Parliament to give us authority to do the right thing here, and then to inform Parliament, from year to year, what the actual cost will turn out to be.

**Senator Denis:** This is in line with what I was asking you before. Two years after you are in a position to tell the exact expenditure in departments, department by department. Is not there a way of putting it somewhere, so that we can know the more accurate figure of the expenditures every year in every department?

**Dr. Davidson:** We certainly are doing the best we can, Senator Denis, to provide you in the main Estimates each year with the fullest picture we can give you of what we expect to be asking Parliament to provide by way of spending authority in the year. At the time of the minister's budget speech we set out with a statement which indicates the total dimensions of what we expect to spend in the year. Because we are dealing with a very large segment of the economy of Canada, there are major changes that take place during the course of the year and we really have no means of forecasting infallibly what those changes will impose by way of obligations on the Government.

Take the DOSCO situation in Cape Breton. There was no way at the beginning of this fiscal year of any government forecasting what would happen, and what its obligation, if any, might be in respect of that situation. There are numerous other examples of the same kind.

**Senator Grosart:** This would appear in the annual report of the department, anyway.

**Dr. Davidson:** This item?

**Senator Grosart:** Yes.

**Dr. Davidson:** In the Public Accounts there will be a recording of what actual amount was in fact spent in 1967-68.

**Senator Grosart:** And the annual report of the department would almost certainly refer to a case such as this?



**Dr. Davidson:** That is correct.

**The Chairman:** Honourable senators, let us turn to page 8, and to Treasury Board Vote 6b.

**Dr. Davidson:** Page 8, Treasury Board Vote 6b?

**The Chairman:** Yes.

**Senator Grosart:** It has spread.

**Dr. Davidson:** Yes, it has spread to the Treasury Board which, you would think, would be the last department to have such an item. I objected to this, I can tell you.

There was passed last year the Statute Law (Superannuation) Amendment Act, Section 4(3) of which gave the right to elect in respect of civilian war service to certain persons. By saying that we gave the right to elect for civilian war service I mean that certain employees who had been employed in civilian war service during the war had, prior to the passage of this amending legislation, not been allowed to claim credit for their civilian war service as part of their total employment for superannuation purposes. The legislation which was passed in 1966 authorized, for the first time, the Governor in Council to pass regulations which would permit certain groups of these people who had civilian war service credit to count that period of service towards their superannuation.

**Senator Thorvaldson:** What do you mean by "civilian war service"?

**Dr. Davidson:** A man who went overseas in a fire fighting capacity had civilian war service.

**Senator Phillips:** Or a forester.

**Dr. Davidson:** Yes, or civilian pilots who trained aircrew here in Canada. These were civilians, and their service was civilian war service.

**Senator Molson:** Would this apply also to a man in the merchant marine?

**Dr. Davidson:** Yes, there is a large variety of different employments covered by the legislation. The Governor in Council was to provide regulations as to how this election was to be made, and the legislation provided that the election must take place within six months.

**Senator Grosart:** Six months from when?

**Dr. Davidson:** From the passage of the legislation. This is the point; it was not from the passage of the regulations. There were delays in the final approval of the regulations because we encountered more difficulty in preparing them than we had anticipated. So, most of the six months which were given to the individual by the legislation in which to make his choice were taken up in drafting the rules of the game, thus leaving very little time for the employee to exercise his option. In consequence we have introduced this provision, asking Parliament to authorize an extension so that the individual, now that the regulations have been promulgated, will have six months from the date on which this is approved in which to exercise his option.

This provision is clearly intervening with the effect of amending section 4(3) of the Statute Law (Superannuation) Amendment Act.

**Senator Grosart:** And, interestingly enough, you call it a provision. According to the law dictionaries I have consulted a provision refers to foresight, whereas this refers to hindsight. One definition that I looked up said that a provision is any of various laws. Another referred to provisional orders and described them as a system of legislation. So, there is no doubt that your use of the word "provision" here makes it clear that the vote is enacting legislation. I wonder if in due course an amendment to the act will be brought before Parliament in order to clear up this situation.

**Dr. Davidson:** Senator Grosart, frankly, I would doubt whether in this instance an amendment will be brought in.

**Senator Grosart:** This is the end of it?

**Dr. Davidson:** Yes, because unless the legislation is brought in within six months this authority expires, in any event. But, I can say this, that if there were a provision of this kind introduced by way of vote wording that had a continuing effect—let us take, for example, a previous vote wording to which you took exception increasing the ceiling or the commitment authority to pay area development incentive grants from \$50 million to \$225 million—when the Statute Law Revision Commission goes about its work, and comes to the Area Development Incentives Act it will undoubtedly incorporate into the Revised Statutes the new ceiling that is authorized by the vote wording that appears in the Estimates.



**Senator Grosart:** That is good.

**The Chairman:** Honourable senators, if there are no other questions on Vote 6b, we will pass on to page 9, Vote L71b, Central Mortgage and Housing Corporation.

**Dr. Davidson:** Well, this again clearly is—

**Senator Grosart:** Excuse me, Mr. Chairman, but is there not another \$1 item?

**Dr. Davidson:** Yes, Vote L71b, which has clearly the effect of striking out the ceiling that is contained in the present National Housing Act, Section 22, and substituting a ceiling which is \$225 million higher.

**Senator McCutcheon:** That is a loan.

**Dr. Davidson:** These are loan authorities. This gives to the Government for a continuing period in the future the authority to advance funds to Central Mortgage and Housing Corporation for the purposes of the National Housing Act as and when Central Mortgage and Housing Corporation requires further—

**Senator Croll:** And the total now is how much? We have to add to this how much?

**Dr. Davidson:** Perhaps I can give the explanation. In accordance with Section 22(1) of the National Housing Act, the minister may, upon terms and conditions approved by the Governor in Council, out of the Consolidated Revenue Fund, in amounts not exceeding in the aggregate \$4 billion:

(a) advance monies to the Corporation for the purpose of making loans under Part II, Part VI, and Sections 40 and 40A; and

(b) reimburse the Corporation for losses sustained in respect of loans made under Part II and Part VI.

Of the \$4 billion authorized under Section 22 of the National Housing Act, 1954, \$3,775,000,000 had been committed as at September 8, 1967. It is anticipated that commitments during the period from September 9 to December 31, 1967, may reach \$253 million which is \$28 million in excess of the balance remaining of \$225 million available under existing legislative authorities.

It is for the purpose of ensuring that this program continues for a further period and that the loan authorities will not be exhausted before the end of December for a further period, that this additional authorization is requested.

**Senator Thorvaldson:** What did you say was the amount of the present authority? Would you repeat that?

**Dr. Davidson:** The present authority as set out in the statute is \$4 billion.

**Senator Thorvaldson:** Yes.

**Dr. Davidson:** Of which \$3,775,000,000 had been committed as at September 8. This vote will have the effect of increasing the \$4 billion to \$4,225,000,000, and that will mean that from September 8 on there will be about \$450 million-worth of continuing commitment authority.

**Senator Kinley:** Has there been much loss due to exceptional circumstances?

**Dr. Davidson:** I would have to obtain that information for you, Senator Kinley. I am not familiar with the figure.

**Senator Croll:** C.M.H.C. is a gold mine. It ought to sell shares to the members. I have seen the statement of profit.

**Dr. Davidson:** Have you seen the amounts of money that the Government has had to borrow from the market in order to keep C.M.H.C. in funds?

**Senator Croll:** Yes, but they get it back, and on top of that—

**Senator McCutcheon:** When they make 5½ per cent loans to universities they do not get it back.

**Senator Croll:** How fast has that vote grown recently? Would you have that information at your finger tips?

**Dr. Davidson:** No, I do not have that information.

**Senator Grosart:** On that question, Dr. Davidson, what is the current estimate of the Government's cash requirement for this year?

**Dr. Davidson:** I will have to get that for you.

**Senator Grosart:** It is about \$1.5 billion, I think.

**Dr. Davidson:** Not out of the market, no.

**Senator Grosart:** I am talking about the cash requirement to balance the books.

**Dr. Davidson:** There is a figure of \$1,543 million. That is probably the figure you are referring to.



**Senator Grosart:** It is here, the table at the top.

**Dr. Davidson:** \$1,590 million.

**The Chairman:** While Dr. Davidson is having a look at these figures—we have completed the study of \$1 dollar items and we can now entertain any other questions you might have regarding the other items.

**Senator Molson:** My question is on the item on the supplementary Estimates in connection with the Post Office. Might I ask, in connection with the Post Office, on page 387 of the main estimates. On that page, we get a Comparison of Expenditures from Appropriations and from Revenue with Gross Revenue. In there you will see in the second column that the Post Office has substantial expenditures from revenue—last year, 1966-67, they were \$40½ million. Would you mind explaining to the committee how this matter is dealt with in the Post Office?

**Dr. Davidson:** I wish I could give you an informed answer on this, Senator Molson, but I am afraid that you would have to get the Post Office people in here themselves to give any detailed explanation.

The fact is that the Post Office Act, as it is now on the statute books, does provide authority for the Postmaster General to take into revenue, into Post Office revenue as distinct from the consolidated revenue, certain funds and to pay out from that revenue certain funds, as a separate accounting transaction from the Consolidated Revenue Fund.

He derives those revenues under the authority of various provisions of the Post Office Act and he is authorized to pay the salaries and commissions of certain kinds of persons rendering service, such as revenue postmasters and other types of workers out of these revenues. This is carried as a separate transaction.

I can only say that it is a relic of the arrangements that existed in earlier years, that it has not yet been rationalized completely in terms of new legislation, either in the direction of bringing those revenues into the main stream of the revenue and expenditure program of the Government, or in the direction of separating the Post Office from the main stream of the revenue and expenditure program of the Government and establishing the Post Office as a Crown corporation—which, as you know, is under discussion.

**Senator Molson:** Perhaps postal money orders would be one thing where revenue would come in and payments would be made out, which might take this form. It would be possible, would it not?

**Dr. Davidson:** And the Postal Savings Bank.

**Senator Molson:** And the Postal Savings Bank.

**Dr. Davidson:** I could not vouch for that.

**Senator Molson:** I am hazarding a guess, as to this kind of thing.

**Dr. Davidson:** I would be glad to inform you by letter, in following up that, if you wish me to do so.

**Senator Molson:** Thank you very much.

**Senator O'Leary (Antigonish-Guysborough):** On this question, I do not suppose you have this information, either, and we can get it from the Post Office people. You would not know what change was made in recent years with respect to the revenue required for the building of post offices by the department rather than renting as it was done previously? What policy change was made with respect to revenue before, for example, a small community could have a post office. As we know, there have been numbers of them built across the country in the past few years.

**Dr. Davidson:** My impression is that the Post Office Department used to have a certain minimal figure of revenue,—and it sticks in my mind as \$4,000 annual revenue,—before it would consider building as part of its regular program a post office in a particular community. I will ask you not to rely upon that figure of \$4,000, but it was some figure of that order.

**Senator Denis:** \$3,000. You have to ask the Public Works Department to lease accommodation up to that figure, but after that you ask the Public Works Department to buy.

**Dr. Davidson:** In addition to that, there has been in recent years a program known as the Small Winter Works Post Office Program, which involves the construction, in communities where the revenue is \$1,200 I think, of a small post office. This is done in the name of the Winter Works Post Office Program which has a combination of purposes, one of which is to mop up winter unemployment,



and another of which is to provide a permanent postal centre in that particular community.

**Senator O'Leary (Antigonish-Guysborough):** But that would be charged to the Post Office Department?

**Senator Denis:** No. Public Works.

**Senator O'Leary (Antigonish-Guysborough):** So this has no bearing on the expenditures here.

**The Chairman:** No.

**Senator Phillips:** My question really relates back to a subject I raised at our last meeting, concerning the rental of accommodation. At that time I indicated that I thought Treasury in particular were looking for prestige accommodation. In late August, the Deputy Minister of Public Works wrote me and referred to the committee minutes and said they had reviewed the situation and, in essence, I was in error, and they hoped this would clear up the misunderstanding on my part.

This morning, before coming into the meeting, I checked with the Minister's office, the office of the Minister of Public Works, and I find that, on the case I had in mind at that time, the Treasury, the Comptroller of the Treasury, was renting 33,000 square feet in Montreal, and they had offers ranging from around \$4.80 per square foot, to somewhere around the vicinity of \$7 per square foot per annum. I find that the higher offer, possibly \$2 more per square foot, was accepted. In addition, the Public Service of Canada took 10,000 square feet.

**Dr. Davidson:** The Public Service Commission?

**Senator Phillips:** Yes, for a total of 43,000 square feet, on a five-year lease. This amounts to well over \$400,000, and in addition when they are in the building I feel they will likely be there for a number of years. I find it difficult to reconcile the misunderstanding on my part, according to the Deputy Minister of Public Works and the economy program, with this lease. Can you give me some explanation of that?

**Dr. Davidson:** I cannot, Senator Phillips, because this is the first intimation I have had from you since the last meeting of further details on this. My comments to you at that time were that I thought there was some

confusion in your mind between the Treasury Board and the Comptroller of the Treasury. I drew your comments to the attention to the Comptroller of the Treasury and received a letter indicating that there was some error or misunderstanding. The Comptroller of the Treasury also expressed concern that his position had been put in an incorrect light by my reference to his office as being the office which you possibly had in mind.

These transactions are dealt with between the Public Works Department and the office concerned. All that I can do is to say to you that I will make inquiries immediately on this and either reply myself by letter to your comment, or ensure that the Public Works Department, or the Comptroller of the Treasury, replies to you in detail, explaining this situation. That is about all I can do at this stage, because, apart from the information you gave me now, I have no information on this particular matter. Do you know what building in Montreal is involved?

**Senator Phillips:** I understand from the minister that it is going to the Place du Canada.

**Dr. Davidson:** Do you know, if I may ask one more question, what the alternative space was that was being offered at \$4.80 per square foot? I am referring to location.

**Senator Phillips:** I believe nine buildings were offered, all lower than Place du Canada.

**Dr. Davidson:** And all in comparable locations in the city?

**Senator Phillips:** Yes.

**Dr. Davidson:** I will follow through with this.

**Senator Phillips:** I would rather not name the buildings before this committee.

**Dr. Davidson:** I will be sure that you get a detailed letter setting out the situation as seen from the point of view of the Department of Public Works and the Comptroller.

**Senator Phillips:** I will point out that it is my understanding that Public Works in their investigation found all buildings to be satisfactory.

**The Chairman:** Senator Phillips, you are not bringing up the difficult question as to whether it would cost less to the federal treasury to build its own building?



**Senator Phillips:** No. It is purely on the ground that the lower buildings were not accepted. In other words, it compares to a situation where the lower tender is not accepted when tenders are being bid.

**The Chairman:** I am on record, you know, as having said that some day it would cost less to the federal treasury, in the long run, to build its own buildings.

**Senator Phillips:** I would agree with you, providing we do not start moving into prestige accommodation.

**The Chairman:** Now, honourable senators, are there any other questions?

**Senator Denis:** Dr. Davidson, roughly speaking, what is the reason for the \$10 million for post offices?

**Dr. Davidson:** It is mostly salaries, senator.

**Senator Denis:** Increases in salaries?

**Dr. Davidson:** Just let me check on that, please. I think it is additional staff that has been authorized because of a number of growth factors, including the increased number of letter walks and the managing of these winter works post offices that we are building in these small communities. Once a post office is built it requires a different kind of servicing on a full time basis than when it is being rented in the back of a country store.

**Senator McCutcheon:** If you build enough of them we will have no unemployment.

**Senator Burchill:** Dr. Davidson, all capital expenditures in the Post Office Department come under the Public Works Department, do they not?

**Dr. Davidson:** Correct.

**Senator Burchill:** In these items here I notice furniture and furnishings and acquisition of equipment. Does the Post Office Department furnish the building after it is built?

**Dr. Davidson:** It has to carry in its own estimates the cost of furniture and equipment.

**Senator McCutcheon:** Not the rental value of the building?

**Dr. Davidson:** Not the rental value of the building, no. That is carried as a memorandum item at the top of the page, but we have central procurement by the Department of

Defence Production to make provision for furniture to all departments. The cost of that furniture for each department must be carried in the estimates of the department. The department must buy that furniture from the central procurement agency.

Could I just go back for a moment to Senator Phillips' point because it illustrates a difficulty I find myself in continually in appearing before the Senate Finance Committee as though I were equipped, which frankly I am not, to answer in detail every question on the Estimates affecting every department. I really think, if I may say so, with respect to the honourable senators, that it would be useful from the point of view of the members of this committee and also salutary, if I may say so, from the point of view of the departments, to have a few more witnesses besides George Davidson appearing before this committee. They could give you, from their profound knowledge of the subject, much more satisfactory answers to the questions you have put to me than I am able to give with the information at my disposal.

**Senator McCutcheon:** We were told at 10 o'clock that they were all going to be in Cabinet.

**Dr. Davidson:** There are civil servants.

**Senator McCutcheon:** I wasn't thinking of civil servants.

**Senator Phillips:** I quite agree with you. If it had not been for the fact that the meeting was adjourned I would not have been able to obtain that information before, but I had no means of giving you warning.

**Dr. Davidson:** I am sorry that I cannot give you satisfaction, but these are details which do not come to my attention.

**Senator Denis:** The way in which you answer questions would seem to indicate that you are quite competent to answer for everyone.

**Dr. Davidson:** Senator Denis, I long ago learned that if you do not know the answer to a question it helps to invent one.

**Senator Grosart:** Mr. Chairman, I would like to make a suggestion through you for Dr. Davidson's consideration, that in future, at least in the supplementary Estimates and possibly in the main Estimates—because one dollar items occasionally come up in the main Estimates, there be in writing an explanation given of the one dollar items. This

need not be printed. A mimeographed sheet attached to these Estimates would do. It would save a lot of time and would be a very important addition to the information given to members of Parliament in these Estimates, if there were a separate explanation of these one dollar items.

**Dr. Davidson:** Are you suggesting that the distribution of that mimeographed sheet should be to the members of this committee, Senator Grosart?

**Senator Grosart:** I go beyond that. I would say the members of the House of Commons should have it as well.

**Dr. Davidson:** In an attachment which would compare, for example, with the table that is inserted at the back of the Main Estimates?

**Senator Grosart:** No, I would just say a mimeographed sheet that would accompany the supplementary Estimates, giving the explanation of these \$1 items.

**Dr. Davidson:** I think something can be done on that without difficulty so far as a committee like the Senate Finance Committee is concerned.

**The Chairman:** I think, if we begin with this improvement, that might be sufficient. There might be some other problems if we dealt at large with the House of Commons, honourable senators. But answering your point, if we could have a covering letter the

next time we meet to discuss supplementary Estimates it would be rather handy.

**Senator Grosart:** I would like to see the Senate committee make a contribution to the work of the Commons by having it available to them too. We could at least say we had done something.

**Dr. Davidson:** I would certainly be glad, Mr. Chairman, to give the undertaking that before appearing before this committee with any supplementary Estimates we would provide for the use of this committee a mimeographed explanation of the \$1 items. However, it gets a little cumbersome, if I may say so, when you try to insure that that kind of mimeographed sheet will be distributed to 265 members of the House of Commons and to all the members of the Senate outside the Senate Finance Committee. Unless one were prepared to say—which I am not at the moment—that we would include this as part of the printed Estimates themselves, I would hesitate to say we would go that far in distributing a supplementary mimeographed sheet.

**Senator Grosart:** Perhaps, if the members of the Commons get to bother you the way we do, you will do it.

**Dr. Davidson:** Perhaps.

**The Chairman:** If there are no other questions, honourable senators, on your behalf I would thank Dr. Davidson and also Mr. Glashan for having been with us this morning.

The committee adjourned.

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Second Session—Twenty-seventh Parliament

1967

# THE SENATE OF CANADA

## PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

# FINANCE

The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

No. 5

*First Proceedings on the Canada Tariff Concessions,*  
made at the Kennedy Round Negotiations under GATT.

THURSDAY, DECEMBER 14th, 1967

WITNESSES:

*Department of Trade and Commerce:* M. Schwarzmann, Assistant Deputy Minister, Trade Policy; T. M. Burns, Director, Office of Trade Relations.

*Department of Finance:* Dr. C. A. Annis, Director, Tariff Division.

Appendix "A": Canada Tariff Concessions made at Kennedy Round Negotiations under GATT.

Appendix "B": Ways and Means Resolutions, November 6th, 1967.

ROGER DUHAMEL, F.R.S.C.

QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1967





Second Session—Twenty-seventh Parliament

1987

THE STANDING COMMITTEE  
ON  
FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird	Macdonald ( <i>Brantford</i> )
Aseltine	MacKenzie
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	Méthot
Bélisle	Molson
Benidickson	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax North</i> )	Phillips
Croll	Pouliot
Denis	Power
Deschatelets	Quart
Farris	Rattenbury
Gélinas	Roebuck
Gershaw	Savoie
Grosart	Smith ( <i>Queens-Shelburne</i> )
Haig	Thorvaldson
Hayden	Vaillancourt
Hays	Vien
Isnor	Welch
Kinley	Yuzyk (44)
Leonard	

*Ex Officio* members: Connolly (*Ottawa West*) and Flynn.

4. Extract from the Minutes of the Proceedings of the Senate, Wednesday,  
December 6th, 1967.  
"With leave of the Senate,  
The Honourable Senator Connolly, P.C., moved, seconded by the  
Honourable Senator Deschatelets,  
MIN

### ORDERS OF REFERENCE

1. Extract from the Minutes of Proceedings of the Senate, Wednesday, May 16th, 1967:

"With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative."

2. Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

"With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative."

3. Extract from the Minutes of the Proceedings of the Senate, Tuesday, October 31st, 1967:

"With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (B) and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—

Resolved in the affirmative."



4. Extract from the Minutes of the Proceedings of the Senate, Wednesday, December 6th, 1967:

"With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under the General Agreement on Tariffs and Trade, tabled in the Senate on 31st October, 1967; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Canada Tariff Concessions and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—

Resolved in the affirmative."

J. F. MACNEILL,

Clerk of the Senate.

## MINUTES OF PROCEEDINGS

STANDING COMMITTEE THURSDAY, December 14th, 1967.

(5)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 10:00 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Aird, Belisle, Croll, Grosart, Haig, Hays, Leonard, MacKenzie, McCutcheon, Molson, O'Leary (*Antigonish-Guysborough*), Phillips, Quart, Rattenbury Roebuck and Thorvaldson. (17)

*Present, but not of the Committee:* The Honourable Senators Fergusson, Macnaughton, McDonald and Thompson.

*In attendance:*

R. J. Batt, Assistant Law Clerk, Parliamentary Counsel, and Chief Clerk of Committees.

The Canada Tariff Concessions made at the Kennedy Round Negotiations under GATT were examined by the Committee.

The following witnesses were heard:

*Department of Trade and Commerce:*

M. Schwarzmann, Assistant Deputy Minister, Trade Policy.

T. M. Burns, Director, Office of Trade Relations.

*Department of Finance:*

Dr. C. A. Annis, Director, Tariff Division.

On motion of the Honourable Senator Molson it was *Resolved* to print as Appendices "A" and "B" certain documents to be supplied by Dr. Annis.

At 11.30 a.m. the Committee adjourned to the call of the Chairman.

Attest:

Frank A. Jackson,  
*Clerk of the Committee.*





STANDING COMMITTEE ON FINANCE

## THE SENATE

### STANDING COMMITTEE ON FINANCE

#### EVIDENCE

Ottawa, Thursday, December 14, 1967

The Standing Committee on Finance, to which was referred the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under GATT, met this day at 10 a.m.

**Senator Jean-Paul Deschatelets (Chairman)** in the Chair.

**The Chairman:** Honourable senators, to assist us in our deliberations this morning we have as our witnesses Mr. M. Schwarzmann, Assistant Deputy Minister, Department of Trade and Commerce; Mr. T. M. Burns, Director of the Office of Trade Relations, Department of Trade and Commerce, and Dr. C. A. Annis, Director of the Tariff Division, Department of Finance.

Honourable senators, as you know, the agreement resulting from the Kennedy Round Negotiations has been tabled. These negotiations were launched in 1963 and they were completed on June 30, 1967.

The purpose of having this meeting is to discuss this matter in anticipation of receiving in the Senate a bill covering this agreement. This will be a package deal. I do not know if I am out of line in saying that I do not think this agreement can be amended in any way, that it will have to be accepted or rejected in total.

**Senator McCutcheon:** Like the Carter Report?

**Senator Grosart:** Is that the attitude of the United States?

**The Chairman:** I must confess that I am not aware of this.

**Senator Grosart:** Perhaps one of the gentlemen might answer that question, as it is probably the most important question there is in respect to the whole subject.

**The Chairman:** As we go on, there might be questions that have to be dealt with. I am going to ask Mr. Schwarzmann, the Assistant

Deputy Minister, who attended these negotiations, to give us at least a few words about the background. Then I will invite you to ask questions and I imagine that you will be interested in getting information regarding the impact of these negotiations and agreement on different sectors of the Canadian trade, and what the Government is doing now to prepare some sectors of the Canadian industry to face the result of this agreement. Mr. Schwarzmann, you have the floor, and I invite you to address the committee.

**Mr. M. Schwarzmann, Assistant Deputy Minister (Trade Policy), Department of Trade and Commerce:** Thank you very much, Mr. Chairman, Monsieur le président. Gentlemen, I would like to say what a great privilege it is for us to appear before the committee to review with you the Kennedy Round Agreements and results. You have before you, I believe, copies of the issue of *Foreign Trade*, a publication of the Department of Trade and Commerce. This particular issue was prepared for publication on the day that the results of the Kennedy Round were officially made public in Geneva.

We, I think, were the first country to have at least some of the detailed results made public immediately on the official date of release of the information in Geneva. So this issue of *Foreign Trade* gives some of the general outline and some of the highlights, as published at that time.

If I might just, Mr. Chairman, gentlemen, review very briefly the background to the Kennedy Round Negotiations, as you know, these negotiations were completed, as the chairman said, just in May of this year, but they were conducted over a period of about four years. This negotiation held under the General Agreement on Tariffs and Trade was the sixth multilateral international trade and tariff negotiation held since the end of the war. That is the sixth over the last 20 years or so. This one was by far the most extensive, both in terms of the number of countries involved in the negotiation—some 50



countries, including a large number of less-developed countries as well as all the major trading countries and two or three Communist, eastern European countries—and also in terms of the coverage of the products and the depth of the tariff cuts envisaged by the negotiators. There were as well some other matters encompassed in the negotiations.

Possibly, just to describe this, it might be useful to refer to the Ministerial resolutions or decisions that were taken and which launched the Kennedy Round. These decisions were taken by the ministers in all the GATT countries in 1964. Ministerial decisions which formed the basis and terms of reference for this in the Kennedy Round indicated first that all classes of products, both industrial and agricultural, should be encompassed in the negotiations; and all types of trade barriers, both tariffs and non-tariffs. Special attention would be given to the trade problems of less-developed countries.

In addition, and this was quite an unprecedented and novel approach to tariff negotiations since the end of the war, it was agreed, to the maximum extent possible and subject to over-all reciprocity in the total negotiations, that negotiations were to proceed on the basis of 50 per cent "equal linear" or across the board cuts in tariffs. As distinct from the traditional approach taken over the years, of negotiating on the basis of item by item or selective negotiations, it was intended as a basis of negotiation for most of the industrial countries that the negotiations would be conducted on across the board reduction of tariffs by 50 per cent, on a linear basis.

Now, this formula, as a basis for negotiation, was agreed to as the approach to be adopted by a number of industrialized countries, particularly the United States, Britain, the European Common Market, Japan and the countries of EFTA in western Europe.

This was the initial decision in 1964. At that time Canada made it very clear that because of the nature of the Canadian economy, the nature of our trade pattern, Canada could not participate in the negotiations on that particular basis; but while we were prepared and would undertake to provide reciprocal payment for benefits received by Canada from other countries, Canada could not accept the proposition of a 50 per cent across the board cut in the Canadian tariff, and we would have to base our negotiations on a

selective approach, and this was agreed to internationally at the very outset of the negotiations.

**Senator Roebuck:** Will you tell us why you could not do it on a 50 per cent basis?

**Mr. Schwarzmann:** Sir, we indicated that the Canadian economy being at the moment heavily dependent on exports of raw materials, primary commodities and agricultural products, and being open to imports of manufactured goods, particularly from our next door neighbour, the United States, that, if we were to reduce the Canadian tariff across the board by 50 per cent, this would not provide equivalent benefits from the point of view of general Canadian trade interest.

In other words, we said that the effects in terms of imports into Canada of manufactured goods would be much greater, the dislocations might be much greater, than any benefits we could expect from the 50 per cent cut on manufactured goods in other countries and benefits in the other primary commodity fields. This is the approach we took in terms of the present structure of the Canadian economy.

**Senator Leonard:** For example, the United States tariff would have a much higher basis on the whole than the Canadian, so the cut of 50 per cent in the United States would still leave considerable protection compared to a cut of 50 per cent in the Canadian tariff.

**Mr. Schwarzmann:** No, sir, that would not be the basis. In fact, I think it is difficult to generalize, but the United States tariff is in many areas statistically lower than the Canadian tariff. We were putting this in terms of trade effect, not levels of tariff.

**Senator McCutcheon:** We are admitting, are we not, that we are not the highly industrialized country we sometimes try to pretend.

**Mr. Schwarzmann:** We are still heavily dependent on exports of primary commodities.

**Senator Roebuck:** Are you telling us that as our exports are largely agricultural in character they are not subject to very much tariff obstruction, while on the other hand our imports are manufactured goods which are highly protected, so that a deal of that kind would be one-sided?



**Dr. C. A. Annis, Director, Tariff Division, Department of Trade and Commerce:** May I answer that question?

**The Chairman:** Yes, Dr. Annis.

**Dr. Annis:** Yes, sir. It seems to me that the points that you and Senator McCutcheon have made really go to the heart of the matter, that to a large extent our exports are agricultural products and raw materials which are either duty-free or of which we are not going to get the full benefit that a highly industrialized country like the United States could reasonably expect of raw materials and manufactured goods. Consequently, in that respect we had justification for doing something less than 50 per cent as regards our manufactured goods. In terms of giving something for the benefits received, this really would have been right. Actually, we do not belong in quite the same league as the United States and the European Common Market.

**Senator MacKenzie:** Would you give a breakdown, please, of the exports of our manufactured products, forest products, and so on?

**Dr. Annis:** Probably, Mr. Schwarzmann or Mr. Burns would be in a position to answer that at the moment. However, if I might add a little on this point to follow through on that, it must be recognized that we in Canada are very large importers of secondary manufactured products over present tariff rates, so that even modest reductions in those rates could be expected to bring substantial benefits to our trade partners, in particular to the United States. So it seems to me that there was a justification for our proceeding somewhat differently. Secondly, it must be recognized that in terms of the realities of the case there was a need, if one thinks in terms of boots and shoes and textiles and furniture; in other words, we just could not stand that cut, and that is the basic fact.

**The Chairman:** Before you proceed further, Mr. Schwarzmann, am I right that there were approximately 50 participating countries in these negotiations?

**Mr. Schwarzmann:** Yes, sir.

**The Chairman:** How many of these countries have accepted the across the board reduction at these negotiations?

**Mr. Schwarzmann:** I think, of the 50 countries that participated, those which accepted

the 50 per cent linear approach were the major industrialized countries: the United States, the European Common Market and the European Free Trade Area and Japan. Canada is in a special category, and on the basis of its economic structure it was not prepared to accept this principle. There were, I think, three or four or five countries which also took the position that they could not accept the 50 per cent across the board cut, but on the basis specifically that the major interest of the negotiations was agriculture. There you had Australia and New Zealand. They were in that position. Then there was a large number of the less developed countries who participated on a different basis. It was agreed by the total GATT membership that industrialized countries could not expect full reciprocity from the less developed countries and it was up to those individually themselves to decide what contribution they felt they might be able to make to the negotiations which might be consistent with their development needs. You had a large number of the developing countries which participated in different forms on this basis. In terms of the results of the negotiations we would suggest that the key, the basic or most important and significant result is the fact that the major industrialized countries which happen to be our main export markets did participate on that basis.

Those were the terms of reference or background against which the negotiations were conducted in Geneva. They were conducted over a period of four years due to long delays and major crises occurring during this period, and partly in many cases because of problems having to do with internal situations within the European Common Market. There were periods when there were some major political and economic disagreements within the European Economic Community, and this had an impact on the progress of the negotiations in general. It was a long drawn out and extremely difficult negotiation. The subject matter was also extremely difficult and complex and raised some major issues of policy for all governments concerned. As you know, the negotiations were completed in May of 1967—this year.

Very briefly to outline the results as we see them from the Canadian point of view, I would say we could classify or group the issues in three broad categories.

1. The tariff results,
2. The non-tariff achievements,



3. Grains—primarily grains and agriculture.

Dealing with tariffs, the 50 per cent across the board cut in the industrial tariff of the industrialized countries, while not completely achieved was fairly closely achieved. There were some exceptions, but by and large there was an extensive tariff cut by the full 50 per cent by our major trading partners covering almost the whole range of semi-processed and fully manufactured goods, and we consider this to be one of the most important benefits from the point of view of our own Canadian export interests, both present and future. I say this because it opens up vast areas of potential export trade in areas of production in which we are still, or may not as yet have established an export position in areas where it may be possible for Canadian industry to specialize in valuable new production.

**Senator Thorvaldson:** When you refer to your objective being a 50 per cent cut in tariff, that was the objective of most of the developing countries or all of them. When you came to negotiating in that respect, what did you find to be the relative tariff for this Kennedy Round negotiation vis-a-vis Canada and the United States? I have generally thought that the United States started out with a higher overall tariff, and when they would go down 50 per cent and we would go down 50 per cent, their tariff would still be higher than ours. Is that what you found?

**Mr. Schwarzmann:** There I think it is extremely difficult to generalize—in those terms. In terms of the total results, the estimate is that for all manufactured goods and semi-processed fabricated goods around the world, in our major industrialized markets, the United States, Europe and Japan, the tariff level in 1972 when the final results are achieved will not be higher than 10 per cent. In other words the tariff level on manufactured goods in our export markets, our major export markets, will be lower than 10 per cent. Canadian tariffs after the Kennedy Round result will be higher. I would ask Mr. Annis to speak further on this.

**Dr. Annis:** So far as the Canadian tariff is concerned, I would like to underline that the Canadian rates of duty on manufactured products generally average higher than those of the United States. There are exceptions, but they are not very numerous. Then in regard to the second point—the percentage of reduc-

tion—the United States is making 50 per cent cuts in most of the tariff items relating to manufactured goods, while most of the cuts in the Canadian tariff will be less than 50 per cent; so that we will have a situation in which after 1972, the United States tariff on manufactured goods will remain definitely lower than the Canadian tariff. In terms of percentage of reduction, their average reduction will be greater than ours. If one puts it in different terms, terms which were frequently used in the discussions in Geneva, one can say that in terms of benefits we did as much for them as what they did for us. In depth of cut, that is in terms of the number of percentage points by which rates of duty will be reduced, we are doing as much as they are. To take a fairly typical example, on a very large volume of trade the Canadian rate will be going from 22½ per cent to 17½ per cent or from 20 per cent to 15 per cent. In the case of the United States there will be a much larger number of important items on which the rate will go from 15 per cent to 7½ per cent or from 10 per cent to 5 per cent. In terms of absolute amount, the reduction will be about the same. In terms of percentage, the U.S. reduction will be greater than ours.

There is a second factor which we must keep constantly in mind and it is one of the factors Senator Roebuck and Senator McCutcheon mentioned. We are big importers of manufactured goods and accordingly cuts of less than 50 per cent in our tariffs on these products will have substantial trade effects. We wanted to make sure our trading partners gave us full recognition and credit for that.

**Senator MacKenzie:** A little later on perhaps you could say something about your understanding of the need for proposed quota restrictions being suggested in the United States Congress.

**Mr. Schwarzmann:** Yes, sir.

**Senator Grosart:** We have heard these figures of 50 per cent and 10 per cent. Was there a general agreement on a universal clear-cut definition as to what these figures would relate?

**Mr. Schwarzmann:** On that particular point, the approach that was agreed by these other countries, the 50 per cent across the board, this was 50 per cent from the tariff levels then existing in those countries, whatever the particular tariff level was.



**Senator Roebuck:** Whether their rates were high or whether they were low, it was 50 per cent in any event?

**Mr. Schwarzmann:** Yes.

**Senator Grosart:** My question referred to the basis on which the tariff was levied. There have been problems in the past because various countries took a different basis on which to estimate the tariff. Was there agreement on that?

**Mr. Schwarzmann:** On the valuation, do you mean?

**Senator Grosart:** Yes.

**Senator Leonard:** And the basis of valuation.

**Mr. Schwarzmann:** No, I think the existing basis of valuation in each country remained as the base applicable.

**Senator McCutcheon:** Subject to the trade agreements?

**Mr. Schwarzmann:** Yes, of course, there are rules and commitments on valuation for duty, and in the GATT agreement as a whole, which continue to exist.

**Senator Croll:** With the rise of the protectionist thinking in the United States, can this in any way affect this, directly or indirectly?

**Senator MacKenzie:** This is my question.

**Mr. Schwarzmann:** Could I just speak on the matter generally briefly, and then I might come back to your question?

**Senator Croll:** Certainly.

**Senator Leonard:** Was not there a single point in the United States with respect to the basis of the appraisal value of chemicals, I think, particularly?

**Mr. Schwarzmann:** Yes, that is right.

**Senator Leonard:** Was that resolved?

**Mr. Schwarzmann:** This was one of the so-called non-tariff matters on which there were very important negotiations, and there are commitments the United States has made. This is a special type of valuation system which applies to certain chemicals in the United States, which does not conform with the rules of the GATT, and which the United States has had in existence for many years. But I should say that in negotiating the for-

mula, the 50 per cent across the board cut, there was a major negotiation on how this would be applied by those countries that had agreed to apply it, and the United States and the European Common Market in particular. This took many months of difficult negotiations between the United States and the European Common Market. The E.E.C. raised this very point, that as far as they were concerned the level of the E.E.C. tariff was lower than the level of the United States tariff in many areas, and the United States had peaks and valleys, whereas the E.E.C. was pretty level and, therefore, the E.E.C. said that a straight 50 per cent across the board cut would not give them reciprocity, and they raised a number of qualifications, also accepted by the United States in the end, in which tariff disparities would have to be taken into account. There was a number of rather complicated negotiations that were entered into on how the 50 per cent rate would be applied. We did not enter into that negotiation because we had indicated we were not ourselves prepared to accept the 50 per cent across the board cut. But, certainly, those points that have been mentioned were important points in the negotiations, in the early stages of the Kennedy Round, and there was a difficult negotiation before the actual negotiations took place, about the rules of the negotiations.

**The Chairman:** Does this answer your question, Senator Croll?

**Senator Croll:** He is going to answer my question later.

**Senator Molson:** To follow on this same line of thinking before we change, one heard very frequently that the administrative control over tariffs in the United States often presented problems to exporters, in that there were, in effect, local rules and the local customs authority in any one place could make a ruling which, in a sense, negated the overall policy of the tariff. Was anything done about this? I remember, for example, hearing that at one stage there was a flood of pingpong balls coming into the United States from Japan subject to their low tariff, and they came in somewhere and the customs agent reclassified them as "ammunition" because they could be used in children's pop-guns and so were subject to a much higher tariff rate. Was anything done about this type of administrative control?



**Mr. Schwarzmann:** These are day-to-day problems that we have been dealing with over the years. In the Kennedy Round negotiations I think particular problems of this kind were raised in connection with particular products, where there had been issues of this type. I might ask Mr. Burns whether he would like to speak on this point.

**Mr. T. M. Burns, Director, Office of Trade Relations, Department of Trade and Commerce:** We did have a number of discussions with the Americans in Geneva on this question of customs administration. Over the period of the last few years there have been much better arrangements made by the United States in terms of its customs administration. There are special officials across the United States border with Canada who have been designated to assist Canadian exporters in finding their way through the intricacies of the United States regulations. In addition to that, the department stands ready to assist any Canadian exporter who has an administrative difficulty with the United States and, in fact, we are taking up this question with the United States customs authority, through our embassy in Washington, on a very regular basis, with a good deal of success—but not quite 100 per cent success. I think the question of pingpong balls is an extreme example, and one that I do not think would arise to any extent in present circumstances.

**Senator Molson:** I do not think they were our pingpong balls, but it did produce one example.

**Mr. Schwarzmann:** Could I quickly go through this and possibly try to reply to some points raised? Taking the point of the tariff results. In applying this 50 per cent or a very substantial reduction on an across the board basis on manufactured goods, we consider this to be of special importance to us in terms of potential future export trade and production in Canada. We obtained from the United States in bilateral negotiations between Canada and the United States—this was one of the major negotiations in the total Kennedy Round—we obtained the maximum tariff cut that the United States was legally able to make under its legislation on almost every commodity where Canada is the major supplier to the United States, and this includes not only the 50 per cent cut on almost everything, with very few exceptions, but the complete elimination of United States tariffs wherever the United States was authorized to do so.

The United States, under the legislation they had, were able in negotiations to eliminate United States tariffs on items where the present level is 5 per cent or less. This applied particularly in such areas as fisheries and in lumber and some other agricultural items, to particular forest products. In the whole lumber field, or a very large part of the lumber field and fisheries, almost all fish items, the tariffs in the United States at the present time are relatively low, 5 per cent or less, and we were able to obtain from the United States complete elimination of those tariffs. So, as a result of the Kennedy Round, particularly on lumber and fisheries, there will be a very large degree of free trade between Canada and the United States in those areas. There will be a very large degree of free trade between Canada and the United States in those areas because we reciprocated in many of those areas as well.

**The Chairman:** This is a sector in which we are going to benefit, definitely?

**Mr. Schwarzmann:** Well, we have a major export trade in it.

Now, we mentioned the United States as being our major trading partner, but we negotiated with a great many other countries, and the total results negotiated by all of those countries among themselves and with each other, of course, are all available to us as well as to every other country under the most favoured nation principle.

**Senator Thorvaldson:** Before you leave the United States I should like to ask a question. I think I read in the newspapers several times that the amount of trade affected between us and the United States—that is, the amount of Canadian exports affected by the final results of the agreement is \$3 billion. Is that figure correct?

**Mr. Schwarzmann:** Sir, I think that in the United States, looking at just our current statistics—because, of course, the real impact of the negotiations will relate to future trade—we can see possibilities of real expansion, but even looking at out present trade, the coverage with the United States is about \$2 billion. We have been talking about well over \$3 billion as a total...

**Senator Thorvaldson:** \$2 billion?

**Mr. Schwarzmann:** Yes, \$2 billion. Now, when you add to that our wheat exports in the major commercial markets with the new wheat agreements which should benefit the



wheat trade, then there will be an additional, I suppose, \$1 billion. Then, in addition to that you have to add our present exports to Japan, the European Common Market, and the European Free Trade Area, where there were some reductions made, and for which you have to add a few hundred millions of dollars. I am not sure of the figure that you end up with, but a rough estimate of export trade which stands to benefit from the Kennedy Round, not only from tariff cuts but through other means, will be over \$3 billion.

**Senator Thorvaldson:** Would you agree that there are many commodities which we would like to sell to the United States but in respect of which the United States tariff, even after the cut, will be quite prohibitive, which means that we will still be shut off from the United States market?

**Mr. Schwarzmann:** Sir, there may well be some items where the tariff is relatively high.

**Senator Thorvaldson:** I refer you to one item that I see on page 18. This is something that I happen to know about because I looked into it some time ago. I refer you to "paints, not containing titanium pigments" on page 18. Our tariff on that is very, very low, namely, 8.5 per cent, and it will go down to 4 per cent. The United States tariff on paints not containing titanium pigments was very low, but then I discovered this catch, that you really do not sell any paint of that classification. Then I discovered that on the paints that Canada wants to ship to the United States the tariff last summer was about 40 per cent, and while that will go down to 20 per cent it is still a prohibitive tariff so far as Canada is concerned. Would you agree with that? That is just one item that I happen to know about because I looked into it myself for the purpose of the export of paints. We cannot export paints because the United States tariff is prohibitive. But my question is: Will it not continue to be prohibitive after the Kennedy Round, and are there not other commodities in that same classification?

**Mr. Schwarzmann:** There is no question but that there will be some. I think there are relatively isolated instances in the United States now where the tariffs will be abnormally or extremely high, even after the 50 per cent cut. Now, the generality of tariffs though will be about 10 per cent or below after the Kennedy Round on manufactured goods. May I ask Mr. Burns to comment on that particular item?

**Senator Leonard:** May I ask a question, Mr. Chairman? I rather gathered from Senator Thorvaldson's remarks that the figures he was quoting referred to the Canadian tariff.

**Senator Thorvaldson:** That is right.

**Senator Leonard:** These figures are on page 18, are they not—the United States tariff. What you are quoting from...

**Mr. Schwarzmann:** That is the United States tariff...

**Senator Leonard:** These figures of 8.5 per cent and 4 per cent on paints, item number 474.30, relate to the American tariff against our paints before the Kennedy Round, and the 4 per cent figure is the tariff afterwards. Is not that so?

**Mr. Schwarzmann:** Yes, sir.

**Senator Thorvaldson:** Is it our tariff or the United States tariff?

**Senator Leonard:** It is the United States tariff.

**Senator Thorvaldson:** My point is that we really did not ship any of that commodity. The figure is very low—\$460,000-worth a year. Any paints that we want to ship to the United States are paints containing titanium. My point is that the tariff on that is sky high, and will remain sky high even after the Kennedy Round. My question is: Is this an isolated instance, or are there scores of other items in the second category, namely, items on which the tariff will still be sky high because of the already sky high United States tariff prior to these negotiations?

**The Chairman:** Mr. Burns, could you deal with this question:

**Mr. Burns:** Mr. Chairman, what Senator Thorvaldson has said is right. Paints of the sort he is mentioning are, in fact, covered by a high tariff. They are included in the group of items in the United States that are subject to this American selling price valuation system. I can confirm that the rate will remain relatively high after the Kennedy Round but, at least, it is only half of what it was before the Kennedy Round.

**The Chairman:** There was an additional question put by Senator Thorvaldson. Is this an exceptional item, or are there many other items like this one?



**Mr. Burns:** I would think there is a scattering of items throughout the United States tariff which will still remain relatively high, but I agree with Mr. Schwarzmann that in the generality, particularly in the metal manufacturing sector, for example, the rates will be very low indeed. The machinery tariffs in the United States will be of the order of from 5 to 8 per cent when the full implementation of the Kennedy Round is accomplished in 1972. One could go on to other areas and see that the final rates will be of the same order of magnitude.

**Senator Croll:** I do not know anything about tariffs—I cannot keep the figures in my head—but why in this book did you not put the comparative Canadian tariffs, so that whenever I looked at it I could tell what the American tariff was, what the reduction is, what the Canadian tariff was, and what the reduction is? If I want that information where do I go to look for it?

**Mr. Schwarzmann:** What we are listing here are our main current export items under these tariffs. Now, in many cases the items of interest in the Canadian tariff—that is, of imports into Canada—are quite different items. Our export interest in a particular item is different from our import interest from the same country. As to a comparison of the two there is the whole Canadian schedule of tariff concessions published in a separate booklet, but I do not think we have attempted to try to correlate in any published document every one of those rates.

**Dr. Annis:** Yes, that is correct, sir. As far as the Canadian tariff is concerned, the reductions are shown in a document that has been tabled in the other place—the ways and means resolution in the house. This shows in detail the present Canadian rates of duty and the rates of duty that will be in effect under the Kennedy Round proposals. We have not attempted to match up the United States items and the Canadian items, and show the comparative rates of duty. There are two reasons for that. The first is that when this publication was made—

**The Chairman:** Excuse me, doctor, but I imagine this information or document could be provided?

**Senator Leonard:** What about this document entitled "Kennedy Tariff Concessions Agreed in the Kennedy Round Negotiations under the General Agreement on Tariffs and Trade".

**Dr. Annis:** That is a basic document, sir. It gives only the base rates of duty and the concession rates under the most favoured nation tariff.

The only other point I was going to add was this. It is very difficult and unsatisfactory to try to show a comparison of Canadian rates of duty and United States rates of duty on the same products because the tariffs do not match up. There are places where one can get a clean-cut comparison, such as aluminum, pig iron or something like that. However, most items do not coincide, and the result is that if one attempts to make a comparison it inevitably becomes both complicated and inaccurate.

**Senator McCutcheon:** If all the Canadian changes are set out in the ways and means resolution, it is on the records of the Commons now.

**Dr. Annis:** Yes, sir.

**Senator Croll:** I think the copy of the ways and means resolution which was tabled at that time should be made available to the members of the committee so that we can make some comparison.

**The Chairman:** We will certainly supply honourable senators with all this information as soon as we can.

**Mr. Schwarzmann:** We would be happy to do it if we found it possible to do so, particularly on items which may come up in the discussion which are of interest to the committee; we could at least attempt a rough co-relation of the Canadian tariff with the United States.

**The Chairman:** Honourable senators would like as complete a file as possible covering this agreement, and we will look forward to receiving it.

**Dr. Annis:** We shall supply copies of this other document, and I would hope it would serve the purpose.

**Senator Roebuck:** From my general knowledge of these negotiations, apparently what our negotiators had in mind were only the interests of the seller, the man who was trying to export, with perhaps a side glance at the revenue which was to be derived. Did you have in your minds at all the interests of the buyer? He is as important to us as the vendor. We have heard nothing whatever about the benefit granted to the Canadian



importer when you reduce the Canadian tariff on goods coming into the country. Nothing is said about that at all. I wonder if you have borne that kind of thing in mind.

**Senator MacKenzie:** Related to that, I see on page 40 a reduction in the duty on whisky. Does that benefit those of us who use whisky or does it merely benefit the Government of Canada?

**Senator McCutcheon:** It benefits the Liquor Control Boards in every province.

**Mr. Schwarzmann:** Could I make one general comment?

**The Chairman:** Senator Roebuck was asking a question.

**Senator Roebuck:** I should like to know if you had the kind of thing to which I referred in mind.

**Mr. Schwarzmann:** I was going through the presentation, really outlining first our export benefit, at least the result in terms of what was happening in our major markets, the total result, but there is no question that in assessing the significance of the results as a whole we would have to look at both what is happening in our export markets, what the effect will be on the Canadian consumer price, and also the costs of production for the Canadian manufacturer as the result of cuts in the Canadian tariff particularly on such things as the new machinery program announced, I believe, yesterday by the Minister of Industry, and the results on costs in Canada, as well as the general competitive climate in the Canadian economy and Canadian market and our export interests. You have to look at all these facets, at the total picture.

You are quite right. I was mentioning particular export interests at the moment. I think this was certainly very much in mind as a major element of the negotiations, the impact and significance both for consumers, the costs of production in Canada and the general climate of production and marketing.

**Senator Roebuck:** The benefits when we reduce our tariffs for importer, purchaser and consumer?

**Mr. Schwarzmann:** Yes, sir.

**Senator Rattenbury:** There is a high duty on machinery coming into Canada. Is that protection still in effect? Do you differentiate

between a machine that is made in Canada and one that is not?

**Mr. Schwarzmann:** One of the important things done as part of the Kennedy Round negotiations as far as the Canadian tariff was concerned was a complete change in the tariff system applicable to the machinery sector. I think this was announced yesterday by the Minister of Industry. It does involve a substantial opening of possibilities of free entry into Canada of machinery not available in Canada. Possibly Dr. Annis could say something on this.

**Dr. Annis:** On a very wide range of machinery the rate is now 22½ per cent, and that will go down to 15 per cent in a single step effective January 1.

**Senator Rattenbury:** That is manufactured in Canada?

**Dr. Annis:** Made in Canada, yes. Most of it is 22½ per cent, some is 20 per cent. This is the protective rate.

**Senator McCutcheon:** Is it intended to have the new machinery board operating as from January 1?

**Dr. Annis:** Yes, sir. No announcement has yet been made about the chairman of the board, but the secretary has been appointed, and I understand the staff has pretty well been built up in the Department of Industry. They have actually started to put out the application forms. I think copies were tabled by Mr. Drury yesterday. They are therefore preparing to initiate the scheme in all its aspects as of January 1. This involves a reduction on machinery made in Canada to a 15 per cent rate, with provision for remissions on a case by case basis with regard to the 15 per cent duty so far as it applies to machinery which is not available from Canadian production.

**Senator Rattenbury:** This has been the problem in the past, the interpretation the department places on the particular item of machinery.

**Dr. Annis:** Yes, there has been a problem in applying the class or kind distinction.

**Senator Rattenbury:** Will this be handled by the new board announced by the minister?

**Dr. Annis:** Yes. In other words, a board within the Department of Industry will be



making determinations whether or not to recommend a remission of the 15 per cent rate.

**The Chairman:** Honourable senators, I was wondering if it would be of interest to hear from the witnesses what has been the impact of this agreement on certain specific sectors of the Canadian industry. We might ask about agriculture, fisheries, textiles and some other sectors which you might have in mind. Perhaps you could tell us in a few words the impact of this agreement. I imagine that some sectors might benefit more than others, and I think this would be of interest to honourable senators, if you agree.

**Senator MacKenzie:** Mr. Chairman, I have to go to another committee meeting. I would be grateful if the witnesses could put on the record answers to these three questions I asked.

The first is as to the relative proportions of our exports, as to manufactured goods. I asked that question because it is my opinion that our future increase in trade lies mainly in that area, because we have pretty well exploited the production possibilities in forest products, agricultural products and fisheries.

The second question is whether the U.S. could get around the Kennedy agreements by the introduction of the quota restrictions that the high tariff people in the U.S. are presently proposing in Congress.

And the third—a more practical question—whether I will get any benefit, from this 50 per cent reduction, in the import duty on Scotch into Canada. I doubt it. The man on the street wonders about this; all the rest, to him, is mere semantics.

**The Chairman:** Maybe, Mr. Schwarzmann, you could deal with these two or three questions right away?

**Mr. Schwarzmann:** I have not the exact figures of the proportion of Canadian manufactured goods of our total. It is a rapidly growing part of the total, but certainly the larger proportion is in agriculture, wheat, and primary commodities. Forest products and fisheries were specifically referred to. In those two there will be free trade in terms of tariff cuts in the U.S. on most lumber and fish. Paper is one of the items where the tariff cuts by 50 per cent in the U.S. and other countries will be achieved as well, and the tariffs in paper in the United States markets will be below 10 per cent in most cases.

**Senator Molson:** All paper?

**Mr. Schwarzmann:** Newsprint is already duty free in the United States. I was thinking of the other grades—the packaging, container, kraft, fine papers, and so on. There are some pretty substantial reductions there. As an example of the kind of things, in the case of manufactures of wood the U.S. tariff has been 16½ per cent. That has been almost prohibitive. We have had very small exports of them into the United States because the tariff has been so high. That is being cut to 8 per cent, and that could open quite an interesting new export production. This is one of those tariff items that cover a whole range of things, including components for prefabricated housing. Another is fish sticks or processed pre-cooked fish products, and in the United States that has been 30 per cent by legislation. That will go to 15 per cent, which opens up the possibilities of exporting in this area.

One important point that has been mentioned with regard to the United States is what might happen in view of these pressures in the United States Congress. First of all, we have had a firm commitment. The United States' existing legislation requires that the United States put into effect these tariff cuts that they have made in stages, starting January 1. As a matter of fact, we were in Washington yesterday on other matters, and we were told by Mr. Roth, the president's special trade representative in charge of the Kennedy Round for the United States, that the presidential proclamation is due out in the next few days announcing the tariff cuts to go into effect, the first phase on January 1, and throughout the next four years, in five stages.

**Senator Croll:** When that announcement is made by the President, there is nothing anyone could do legislatively? That is it?

**Mr. Schwarzmann:** I think that is right. I suppose that in theory you could have new legislation. This is the Trade Expansion Act passed in 1964 by the United States Congress, and now the President is putting into effect the result of the negotiations.

**The Chairman:** Without any amendment or change in what has taken place over there?

**Mr. Schwarzmann:** Having in mind the nature of the United States constitutional system, it is not impossible in Congress for bills to be put forward attempting to modify



or reverse or impair some of these concessions, and there are some 50 bills in the United States Senate for quotas which would undermine completely the whole purpose and the effect of the agreement.

**Senator Croll:** That will have to pass through Congress, and it could be vetoed by the President—and there are the usual rules as to overriding the veto.

**Dr. Annis:** I think we need to draw a distinction between what has been done in implementing previous GATT agreements and what is contemplated this time. The Governor in Council in Canada has authority under section 10 of the Customs Tariff to reduce or remove duties by Order in Council, if required to implement a trade agreement. This is the device that has been used in implementing previous agreements under the General Agreement on Tariffs and Trade. But this time there is a distinction. Legislation has been introduced into the Commons to implement the results of the Kennedy Round agreement. In this instance Canada is acting, as always would have been possible, by legislation rather than by Order in Council.

**Senator Leonard:** That legislation is effective as of January 1?

**Dr. Annis:** Yes. The terms of the resolution introduced into the Commons provide for the legislation becoming effective on January 1, whether or not action on it has been completed. It will come into force provisionally even if parliamentary action had not been completed.

**Senator McCutcheon:** It is being treated as a budget?

**Dr. Annis:** Yes.

**Mr. Schwarzmann:** On United States tariff Mr. Winters, in the House, commented fairly recently that he had received a firm and unequivocal assurance from the United States Government that the tariff cuts by the United States would be implemented without change and as agreed. This is a firm commitment, and this has been reiterated. As to the quota bills and other pressures, of a protectionist nature in the United States Congress, I think one might expect this to continue throughout the next year, in view of the presidential election in the United States. But, first of all, Canada, as well as some other governments, have submitted formal notes to the United States Government

indicating that anything of this kind would have major disturbing consequences in jeopardizing the results of the agreement, and that there would be very serious concern about anything of this kind developing. We have had an assurance from the United States administration—of course, the United States Government, in formal notes responding to our representations, as well as in verbal statements—that the President of the United States will do everything possible to ensure that nothing of this kind comes into effect as law.

I have one quote here you will be familiar with. The President of the United States on November 2 said in a statement to the delegates to some assembly in Washington:

He said:

I think those protectionist bills just must not become law, and they will not become law as long as I am president if I can help it.

There is no doubt that the United States administration is committed, and they intend doing everything possible to prevent anything of this kind happening but, of course, there will be a lot of pressure all through next year.

**Senator Hays:** Mr. Chairman, may I ask if there is any provision in the Kennedy Round in respect to escalating these many items up and down. In some cases we may find that we have made a mistake.

**Mr. Schwarzmann:** The normal procedures of the General Agreement on Tariffs and Trade would continue to apply, and if any country wanted to make any upward changes in the concessions they have made in the Kennedy Round then it is possible under those procedures to re-negotiate by providing compensation in order to maintain the balance of the agreement. There are also provisions in the agreement which we used just recently in the case of turkeys.

**Senator Hays:** How did you handle that?

**Mr. Schwarzmann:** This was done just recently. It was announced by the Minister of Agriculture that there would be a fixed value, or a special value, on imports of turkeys. This was done under the normal regular procedures of GATT involving re-negotiation and consultation and so on.

**Senator Leonard:** There was the other part of Senator MacKenzie's question. So far as I



am concerned you can leave it, but it referred to Scotch. Would you tell us what the effect will be on the Canadian consumer?

**Dr. Annis:** It is rather difficult to generalize, I suppose, but there are two or three points that can be made. One is that overall the tariff concessions which Canada has undertaken will apply to imports which have been running at the rate of \$2.5 billion a year. They are spread over a very wide area, of course, and the effects on the consumer will to some extent depend on the area. Possibly, I should refer to some of the more important areas.

Machinery has already been mentioned. Under the new machinery plan that is being introduced the rates of duty on machinery of a kind that is made here will be reduced from 22½ per cent to 15 per cent, and, in addition, on not available machinery the duties will be remitted so that free entry will be the *de facto* situation.

Now, this is probably the most important single reduction looked at from the point of view of one sector of consumers—the producers of other products. This should have a very significant effect in tending to reduce or hold down Canadian costs of production over the whole area. This is one example. There are in the agreement quite a number of other concessions that will have the same effect of holding down the costs of Canadian producers.

One other product worth mentioning in this connection is the removal of duty from bituminous coal. Under the situation which now prevails, where the Cape Breton Development Corporation has been established to provide for the support that is required to coal producers in the area, the present duty of 50 cents per ton on imports of bituminous coal acts largely as a tax on users of coal. It is largely a revenue-producing measure at the moment. Well, that is to be removed. The removal in this case is to be staged rather than occurring in a single step. This removal will tend to reduce, or at least to slow down the increase in, the cost of Canadian consumers who use coal, whether they be pulp and paper manufacturers, or mines, or chemical concerns, or hydro-electric concerns. In this case, it is helping the consumer by giving up revenue. That is the reason, I presume, why it is being staged rather than being accomplished in a single step. I quote that as an example of an important concession in another area that would tend to help consumers.

A third area which has some analogy to the coal one is tropical products. There is a range of products which are non-competitive to Canadian producers but which bear duties now—duties which may have served in establishing and maintaining a preference for some Commonwealth suppliers, and partly a purpose of producing revenue. The present duties on coffee, cocoa beans, vanilla beans, and some other tropical products of importance are to be removed. They will be removed in a single step on January 1st. These are concessions that should be of direct benefit in terms of the cost of living.

These concessions were possible in the context of the Kennedy Round because the same agreement will provide better access to our Commonwealth trading partners in markets elsewhere. So, there is in the package compensation for the African Commonwealth and the Caribbean Commonwealth for giving up the preference that they enjoy in Canada, in terms of better access elsewhere. That has made possible moving into this field when, I think, it would not have been possible for Canada to move unilaterally, because it would have hurt some of our Commonwealth friends to do so. In the context of the General Agreement it has become possible.

This represents another sort of concession that will benefit consumers.

**Senator Hays:** What is the estimated cost in revenue to the federal Government?

**Dr. Annis:** I think one has to define terms in order to be able to answer that question. Should I do that now, or should I go on with this? I will just mention briefly two other examples before coming to your question, sir.

Then, thirdly—and this is also worth mentioning, I think, in connection with the Canadian consumer—there is the removal of some duties in areas where our competitive position is strong, and it could be rightly argued that we do not really need or should not need protection. A good example would be primary lead, primary zinc and primary copper. We are removing the Canadian duties on each of those products, and this is part of a package in which, to some extent at least, our producers are getting better access elsewhere for these products.

Here I suppose from the consumer's point of view the best one could say is that it removes any risk that the consumer—that is, the wire manufacturer and the galvanizer,



and so on—be gouged by his Canadian suppliers. It guarantees that he can get Canadian supplies at fully competitive prices as, I think, by and large, he has done in the past. This will make it a little more certain.

Then, I suppose there is a much wider range of products on which we have made concessions—the sort of concessions that are more difficult. Here, one can think of big consumer items like furniture, cotton fabrics, clothing, electrical appliances, and so on, which are made in Canada, and where the concessions are of a sort that to some extent might, if they were in isolation, adversely affect the position of Canadian producers.

Here the effect of the reduction in tariffs would be to sharpen competition in Canada and ensure that whether he buys a Canadian product or an imported product, the Canadian consumer is somewhat better off. I would submit this is in a context where Canadian producers get other benefits, and they are not necessarily hurt, and where the Canadian consumer receives benefits of a sort that it would be difficult to measure. Is that adequate for your purpose, sir? It is far from exhaustive.

**Senator Leonard:** Yes, that is the point I was really making on Senator MacKenzie's question in his absence.

**Senator Croll:** Would you look at page 18, item 439, "Natural drugs" and "'Other' drugs including synthetic."

**Dr. Annis:** I understand this covers a wide range of products. I have not the details of the actual products covered but we would certainly be glad to—

**Senator Croll:** I just wondered about it generally. You have answered it. The amount is only about \$775,000, it is not very large, but is that the major portion of the drugs that are exported?

**Mr. Burns:** These are exports to the United States in this particular area. They are really raw materials for further manufacture.

**Senator Leonard:** Did you have any difficulty with the automotive agreement in connection with the Kennedy Round? Is it assumed that it would fit into the GATT negotiations as well as the Kennedy Round? I ask that particularly to see what effect it might have on a similar type of agreement for a product other than automobiles.

**Dr. Annis:** The automobile agreement between Canada and the United States was negotiated separately, of course, from the Kennedy Round discussions I think one could say that it did not really affect the Kennedy Round one way or the other, except that it was recognized that this was an area in which Canada and the United States had in effect made a deal, and a very important deal. Consequently, to some extent automobiles were taken out of the Kennedy Round negotiations. However, they were not taken out completely. On the Canadian side we have tariff provisions which apply rates of duty to imports from countries other than the United States, and in the Kennedy Round agreement the Canadian tariff on finished automobiles was reduced somewhat; it was reduced from 17½ per cent to 15 per cent.

Also the automobile pact with the United States does not apply to after-market auto parts. The Canadian basic rates of duty applying to parts which do not qualify for free entry under the auto pact were reduced. Some rates that are now 25 per cent will go to 17½ per cent, and some that are now 17½ per cent will go to 12½ per cent. By and large, as far as the after-market parts are concerned the important changes are the rates which go from 25 per cent to 17½ per cent.

I think that probably the important part of the answer to your question is that the automobile agreement was something which was aside from the Kennedy Round, rather than part of it.

**Mr. Schwarzmann:** Perhaps I might just comment on the point raised about the effect on consumer prices and costs in Canada. An additional point, apart from the direct effect, is that increased export opportunities, which would involve increased specialization of production in Canada on a larger scale and at lower cost has, or could have, a very significant impact on consumer costs and costs of production in Canada.

**The Chairman:** I presume it also means that some sectors of our Canadian industries will have to replace or rearrange production to meet harder competition in certain fields?

**Mr. Schwarzmann:** And to be able to exploit the full opportunities.

**The Chairman:** Is there any other question, honourable senators?

**Senator Hays:** I asked a question about customs revenues.



**Dr. Annis:** If one is going to make a calculation with respect to revenue you have to make some assumptions about how you do your arithmetic. I think the most logical assumption is to take the imports. One can assume as of a given period, say the calendar year 1966. I have made a rough calculation on that basis. One can assume that the volume and composition of Canadian imports will remain in the future the same as it was in the calendar year 1966, and then calculate what duty would be collected at the reduced rates rather than what was collected. Custom's revenues in 1966 were a little less than \$800 million. If you calculate what the revenue would have been at the final rates on those same quantities—in other words those same quantities of trade in 1972 under the new rates—you come out with a figure which is lower by not quite \$150 million a year. Having said that, I would not say the duty collections which were \$800 million in 1966 would fall from \$800 million to \$650 million in 1972.

**Senator Hays:** These are on tropical products and so on?

**Dr. Annis:** On everything. The custom's revenue will not fall to \$650 million in 1972 because imports are growing, and presumably the fact that we reduce duties will cause imports to grow somewhat faster than they otherwise would. I think it is predictable that while custom's revenue might well fall off a little bit next year, because of the rather great impact in the first year of the machinery program and some other items on which we are going all the way at one step, by the time 1972 comes it is a good bet—I would say virtually certain—that custom's revenues will be higher than they were in 1966. In a few

years I would expect the growth of imports would more than compensate for the reduction in rates of duty. The pattern we can reasonably expect to have is some slight decline in customs revenues next year, then a resumed growth at a rather slower rate than would otherwise have taken place until 1972, and thereafter a resumption in the normal growth of customs collections.

**The Chairman:** Honourable senators, we are going to receive some documentary evidence to supplement the information we have had this morning, and I was thinking it would be useful to honourable senators if this information could be printed as Appendices "A" and "B" to our proceedings.

Now, if it is your pleasure, I will entertain a motion to that effect.

**Senator Molson:** I so move.

**Senator McCutcheon:** Seconded.

**Hon. Senators:** Agreed.

**The Chairman:** Now, gentlemen, we wish to thank you for having been with us this morning, and for this information which will surely be very valuable to us for further proceedings we are going to have on this matter.

**Senator Leonard:** Mr. Chairman, I assume we have not completed its consideration?

**The Chairman:** No. It is another matter, and this is why I am going to ask you Senator Leonard, Senator Molson, Senator McCutcheon and Senator Hays to remain for a few minutes, because we might have a meeting of the steering committee.

Whereupon the committee adjourned.

## APPENDIX "A"



# CANADA TARIFF CONCESSIONS

## AGREED IN THE

# KENNEDY ROUND NEGOTIATIONS

### UNDER THE

## GENERAL AGREEMENT ON TARIFFS AND TRADE

DEPARTMENT OF FINANCE

OTTAWA, CANADA

JUNE 1967





SCHEDULE V - (CANADA)

This schedule is authentic in both English and French languages

NOTES RE SCHEDULE

1. Part I (pages 1 to 124) lists the concessions made under the Most-Favoured-Nation tariff; Part II - those made under the British Preferential tariff. The Base Rate of Duty gives the rate in effect when the Kennedy Round began; the Concession Rate of Duty is the final rate which will apply when the Kennedy Round results have been implemented in full.

2. Some of the concessions are to be implemented in a single step, i.e. the final rate of duty will be put into effect not later than July 1, 1968. Concessions in this category include:

- a) machines classified under item 42700-1 in the schedule;
- b) cigars, cigarettes, cut tobacco and alcoholic beverages;
- c) items for which no base rates are shown in the schedule;
- d) some tropical products.

3. Concessions which are not implemented in one step will be staged over a period not exceeding four years beginning January 1, 1968. Canada has undertaken that with respect to these concessions the difference between the base rate and the final rate will be reduced by not less than one-fifth on January 1 of each year starting January 1, 1968.

Tariff Item Number	Description	Base Rate	Concession Rate
400-1	Horses	Free	Free
501-2	Animals, living	Free	Free
501-1	Silks	Free	Free
504-1	N.o.p.	Free	Free
600-1	Live birds	Free	Free
704-1	Meats, Pork	Free	Free
705-1	N.o.p.	Free	Free
705-2	Animals	Free	Free
800-1	Canned beef	30 p.c.	20 p.c.
815-1	Pâtés de foie gras, foies gras, preserved, in tins or other- wise; lark pâtés	75 p.c.	Free
820-1	Animal liver paste	75 p.c.	Free
835-1	Extracts of meat and fluid Beef, not medicated	25 p.c.	20 p.c.





SCHEDULE V - (CANADA)

This schedule is authentic only in the English and French languages

PART I

## Most-Favoured-Nation Tariff

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
400-1	Horses, n.o.p. .... each	\$6.25	Free
501-2	Animals, living, n.o.p.: Cows imported specially for dairy purposes ..... per pound	1½ cts.	Free
503-1	Silver or black foxes .....	20 p.c.	Free
504-1	N.o.p. ....	5 p.c.	Free
600-1	Live hogs ..... per pound	1 ct.	½ ct.
	Meats, fresh, n.o.p.:		
704-1	Pork ..... per pound	1¼ cts.	½ ct.
705-1	N.o.p. .... per pound	2½ cts.	1¼ cts.
705-2	Edible meat offal of all animals ..... per pound	1 ct. ) (5 p.c. ) minimum) 6 cts.) 1¼ cts.) 2½ cts.)	½ ct.
800-1	Canned beef .....	30 p.c.	20 p.c.
815-1	Pâtés de foie gras, foies gras, preserved, in tins or other- wise; lark pâtés .....	7½ p.c.	Free
820-1	Animal liver paste .....	7½ p.c.	Free
835-1	Extracts of meat and fluid beef, not medicated .....	25 p.c.	20 p.c.



- 2 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
910-1	Quails, partridges, and squabs, live or dead, n.o.p. ....	12½ p.c.	Free
935-1	Game, n.o.p. ....	12½ p.c.	Free
1002-1	Meats, prepared or preserved, other than canned: N.o.p. .... per pound	2 cts.	1 ct.
1205-1	Sausage skins or casings, cleaned .....	15 p.c.	10 p.c.
1300-1	Lard and animal stearine of all kinds, n.o.p. .... per pound	1¾ cts.	1 ct.
1305-1	Lard compound and similar substances, n.o.p. .... per pound	1¾ cts.	1 ct.
1400-1	Tallow .....	17½ p.c.	10 p.c.
1510-1	Beeswax, refined but not bleached .....	15 p.c.	7½ p.c.
1515-1	Beeswax, n.o.p. ....	15 p.c.	7½ p.c.
1520-1	Honey-comb foundations, of wax	15 p.c.	7½ p.c.
1605-1	Eggs, whole, egg yolk or egg albumen, frozen or otherwise prepared, n.o.p., whether or not sugar or other material be added .....	10 cts.	7 cts.
1610-1	Eggs, egg yolk or egg albumen, dried, evaporated, desiccated, or powdered, whether or not sugar or other material be added .....	25 p.c.	20 p.c.

- 3 -

SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
1805-1	Peanut butter ..... per pound	5 cts.	4 cts.
1900-1	Cocoa shells and nibs .....	7½ p.c.	Free
2000-1	Cocoa paste or "liquor" and chocolate paste or "liquor", not sweetened, in blocks or cakes ..... per pound	3 cts.	1 ct.
2005-1	Butter produced from the cocoa bean ..... per pound	2¼ cts.	Free
2010-1	Illipe butter .....	10 p.c.	Free
2015-1	Shea butter .....	10 p.c.	Free
2100-1	Cocoa paste or "liquor" and chocolate paste or "liquor", sweetened, in blocks or cakes, not less than two pounds in weight ..... per pound	4 cts.	2 cts.
2200-1	Preparations of cocoa or chocolate in powder form .....	22½ p.c.	15 p.c.
2300-1	Preparations of cocoa or chocolate, n.o.p., and confectionery coated with or containing chocolate, the weight of the wrappings and cartons to be included in the weight for duty .....	20 p.c.	15 p.c.
2500-1	Chicory, kiln dried, roasted or ground ..... per pound	2 cts.	1 ct.
2600-1	Coffee, roasted or ground ..... per pound	4 cts.	2 cts.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
2700-1	Coffee, green, n.o.p. .... ..... per pound	2 cts.	Free
2810-1	Maté .....	20 p.c.	Free
3005-1	Cloves, unground .....	10 p.c.	5 p.c.
3010-1	Cinnamon, unground .....	12½ p.c.	5 p.c.
3015-1	Ginger, unground .....	12½ p.c.	5 p.c.
3020-1	Spices, unground, n.o.p. ....	12½ p.c.	5 p.c.
3105-1	Ginger and spices, ground, n.o.p. .... per pound and	3 cts. 10 p.c.	7½ p.c.
3110-1	Curry powder and paste .....	3 cts. 10 p.c. (Pt. 20 p.c.)	Free
3200-1	Nutmegs and mace, whole or un- ground .....	15 p.c.	12½ p.c.
3300-1	Nutmegs and mace, ground .....	27½ p.c.	12½ p.c.
3400-1	Mustard, ground .....	15 p.c.	7½ p.c.
3500-1	Hops .....	10 cts.	Free
3805-1	Yeast, n.o.p. ....	20 p.c.	10 p.c.
3915-1	Starch or flour of sago, cassava, or rice ... per pound	1¼ cts.	1 ct.
3920-1	Rice meal, rice feed, rice polish, rice bran, rice shorts .....	1 ct.	¾ ct.

- 5 -

SCHEDULE V - (CANADA)PART I - (CONTINUED)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
3930-1	Combinations or preparations of starch and dextrine with admixture of foreign material, n.o.p., which, when mixed with cold water, do not form an adhesive paste ..... per pound	2 cts.	1 ct.
3940-1	Arrowroot ..... per pound	1½ cts.	Free
4305-1	Powdered milk, the weight of the package to be included in the weight for duty ..... per pound	4 cts.	3½ cts.
4500-1	Milk foods, n.o.p. ....	17½ p.c.	15 p.c.
4505-1	Prepared cereal foods, in packages not exceeding twenty-five pounds weight each .....	20 p.c.	17½ p.c.
4600-1	Prepared cereal foods, n.o.p.	15 p.c.	12½ p.c.
4710-1	Lima and Madagascar beans, dried .....	½ ct.	Free
4800-1	Peas and lentils, whole or split .....	¾ ct. 7½ p.c. 20 p.c. )	¾ ct.
4900-1	Buckwheat ..... per bushel	12½ cts.	Free
5000-1	Buckwheat meal or flour ..... per one hundred pounds	45 cts.	Free
5300-1	Cornmeal ..... per barrel	50 cts.	40 cts.



- 6 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
5505-1	Grain sorghum ..... per bushel	7½ p.c.	8 cts.
5900-1	Rye meal or flour.. per barrel	45 cts.) 20 p.c.)	25 cts.
6300-1	Rice, cleaned .....		Free
	..... per one hundred pounds	70 cts.	50 cts.
	When in packages weighing two pounds, each, or less, the weight of such packages to be included in the weight for duty.		
6400-1	Sago and tapioca .....	17½ p.c.	10 p.c.
6500-1	Biscuits, not sweetened .....	17½ p.c.	12½ p.c.
6505-1	Special dietary breads and biscuits under regulations of the Department of National Health and Welfare .....	7½ p.c.	5 p.c.
6600-1	Biscuits, sweetened .....	25 p.c.	12½ p.c.
6605-1	Biscuits, sweetened or unsweetened, valued at not less than 20 cents per pound, said value to be based on the net weight and to include the value of the usual retail package .....	20 p.c.	12½ p.c.
6700-1	Macaroni and vermicelli, containing no egg or other added ingredients .....		Free
	..... per one hundred pounds	\$1.25	62½ cts.
	When in packages weighing two pounds, each, or less, the weight of such packages to be included in the weight for duty.		

- 7 -

SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
6900-1	Straw ..... per ton	50 cts.	Free
6910-1	Hay ..... per ton	60 cts.	Free
	Feeds, n.o.p., for animals and poultry, and ingredients for use therein, n.o.p.:		
6921-1	Other than the following .....	20 p.c.	5 p.c.
6922-1	Bran, shorts and middlings ...	20 p.c.	5 p.c.
6923-1	Dried beet pulp .....	20 p.c.	10 p.c.
6924-1	Brewers' and distillers' grains and malt sprouts .....	20 p.c.	5 p.c.
6925-1	Grain hulls .....	20 p.c.	5 p.c.
6926-1	Flaxseed screenings .....	20 p.c.	5 p.c.
6927-1	Screenings, n.o.p. ....	20 p.c.	5 p.c.
6928-1	By-products obtained from the milling of grains, mixed feeds, and mixed-feed ingredients ...	20 p.c.	5 p.c.
6929-1	Alfalfa meal or grass meal ...	20 p.c.	20 p.c.
6930-1	Guar meal .....	20 p.c.	Free
7000-1	Flaxseed ..... per bushel	10 cts.	Free
7105-1	Timothy seed ..... per pound	$\frac{1}{2}$ ct.	Free
7110-1	Clover seed, including alfalfa seed ..... per pound	2 cts.	Free
7110-2	White clover seed (ladino) .... per pound	1 ct.	Free
7110-3	Sweet clover seed ... per pound	$1\frac{3}{4}$ cts.	Free



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
7110-4	Common white clover seed (White Dutch) ..... per pound	1 ct.	Free
7200-1	Field and garden seeds not specified as free, valued at not less than five dollars per pound, n.o.p., in packages weighing not less than one ounce each .....	7½ p.c.	Free
7220-1	Millet seed .....	7½ p.c.	Free
7225-1	Bent grass seed, not to include red-top grass seed.. per pound	1 ct.	Free
	Field seeds, n.o.p., when in packages weighing more than one pound each, namely:-		
7300-2	Blue grass ..... per pound	1.3 cts.	Free
7300-3	Brome grass ..... per pound	4/10 ct.	Free
7300-4	Chewing's fescue ... per pound	4/10 ct.	Free
7300-5	Meadow fescue ..... per pound	½ ct.	Free
7300-7	Orchard grass ..... per pound	1 ct.	Free
7300-8	Poppy .....	5 p.c.	Free
7300-9	Red fescue ..... per pound	1 ct.	Free
7300-10	Rye grass ..... per pound	1½ cts.	Free
7300-12	Tall oat grass ..... per pound	1½ cts.	Free
7300-13	Wheat grass ..... per pound	4/10 ct.	Free
7300-14	Grass seeds, n.o.p. except mixed .....	1½ cts.	Free

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
7300-15	Mixed grass seeds ... per pound	1¼ cts.	1¼ cts.
7300-16	Field seeds, n.o.p. ....	7½ p.c.	Free
Seeds, as hereunder, when in packages weighing more than one pound each:-			
7401-1	Parsley, and parsnip ..... ..... per pound	2 cts.	Free
7402-1	Beet, not including sugar beet ..... per pound	2 cts.	Free
7403-1	Mangel and turnip .. per pound	2 cts.	Free
Seeds, as hereunder, when in packages weighing more than one pound each:-			
7501-1	Radish, leek, lettuce, carrot, borecole or kale .. per pound	2 cts.	Free
7502-1	Cabbage and cucumber ..... ..... per pound	4 cts.	Free
Seeds, as hereunder, when in packages weighing more than one pound each:-			
7601-1	Tomato and pepper .. per pound	7½ cts.	Free
7602-1	Cauliflower ..... per pound	12½ cts.	Free
7603-1	Onion ..... per pound	15 cts.	Free
7610-1	Root, garden and other seeds, n.o.p., when in packages weighing more than one pound each ..... per pound	2½ cts.	Free



- 10 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
7615-1	Seeds, viz.:—Field, root, garden and other seeds, when in packages weighing one pound each, or less .....	20 p.c.	15 p.c.
7625-1	Seeds, viz.:—Canary and celery, when in packages weighing more than one pound each, imported for use exclusively in manufacturing or blending operations .....	5 p.c.	Free
7705-1	Cocoa beans, not crushed or ground...per one hundred pounds	20 p.c. ) \$1.00 )	Free
7710-1	Vanilla beans, crude only .....	2½ p.c.	Free
7800-2	Florist stock, viz.:—Palms, ferns, rubber plants (Ficus), cannas, dahlias and paeonias..	17½ p.c.	Free
7900-2	Florist stock, viz.:—Rhododendrons, pot-grown lilacs, araucarias and laurel .....	12½ p.c.	Free
8101-1	Trees, n.o.p., viz.:— Apple:— September 15 to October 5, inclusive .....	3 cts. )	Free
	October 6 to September 14, inclusive .....	6 cts. )	
8102-1	Plum and cherry:— September 15 to October 5, inclusive .....	3 cts. )	Free
	October 6 to September 14, inclusive .....	8 cts. )	
8103-1	Pear, apricot and quince .....	8 cts.	Free
8104-1	Peach, including June buds ...	5 cts.	Free

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
8205-1	Grape vines, gooseberry and currant bushes or roots...each	2 cts.	Free
8210-1	Raspberry, loganberry and black-berry bushes or roots ....each	1 ct.	Free
8215-1	Rhubarb roots .....each	$\frac{3}{4}$ ct.	Free
8220-1	Asparagus roots .....each	1/5 ct.	Free
8225-1	Strawberry plants .....each	1/4 ct.	Free
8235-1	Trees, shrubs, vines, plants, roots and cuttings, for propagation or growing purposes, n.o.p. ....	12 $\frac{1}{2}$ p.c.	Free
8315-1	Sweet potatoes, n.o.p. .... per pound	1 $\frac{3}{4}$ cts.	Free
8505-2	Mushrooms, dried .....	12 $\frac{1}{2}$ p.c.	10 p.c.
8510-1	Truffles, fresh, dried or otherwise preserved .....	10 p.c.	Free
8705-1	Vegetables, fresh, in their natural state, the weight of the packages to be included in the weight for duty: Brussels sprouts ... per pound or or	3 cts. 10 p.c.	3 cts. 10 p.c. Free
8718-1	<p>The Free rate shall apply during the months of January, February, March, April, May and June.</p> <p>During the remaining months in any 12 month period ending</p>		



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
8705-1 (cont'd)	31st March, the specific duty shall not be maintained in force in excess of 16 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.		
8707-1	Carrots ..... per pound or  In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 40 weeks which may be divided into two separate periods, and the Free rate shall apply whenever the specific duty is not in effect.	1 ct. Free	$\frac{1}{2}$ ct. Free
8708-1	Cauliflower ..... per pound or or  The Free rate shall apply during the months of January, February, March, April and May. During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 20 weeks which may be divided into two separate periods, and the 10 per cent duty shall apply whenever the specific duty is not in effect.	$\frac{3}{4}$ ct. 10 p.c. Free	$\frac{3}{4}$ ct. 10 p.c. Free

- 13 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
8710-1	<p>Corn on the cob .... per pound or</p> <p>In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 12 weeks, and the Free rate shall apply whenever the specific duty is not in effect.</p>	<p>1½ cts. 10 p.c.</p>	<p>1½ cts. Free</p>
8713-1	<p>Eggplant ..... or</p> <p>In any 12 month period ending 31st March, the 10 per cent duty shall not be maintained in force in excess of 8 weeks, and the Free rate shall apply whenever the 10 per cent duty is not in effect.</p>	<p>10 p.c.</p>	<p>10 p.c. Free</p>
8717-2	<p>Green onions ..... per pound or</p> <p>In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 44 weeks which may be divided into two separate periods, and the 5 per cent duty shall apply whenever the specific duty is not in effect.</p>	<p>1½ cts. 10 p.c.</p>	<p>1½ cts. 5 p.c.</p>
8718-1	<p>Parsley ..... or</p> <p>In any 12 month period ending 31st March, the 10 per cent duty shall not be maintained in force in excess of 16 weeks, and the Free rate shall apply whenever the 10 per cent duty is not in effect.</p>	<p>10 p.c.</p>	<p>10 p.c. Free</p>



- 14 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
8719-1	Parsnips ..... per pound or	1 ct. ) 10 p.c.)	Free
8720-1	Peas, green ..... per pound or or	2 cts. 10 p.c.	2 cts. 10 p.c. Free
8707-1	<p>The Free rate shall apply during the months of October, November, December, January, February, March and April.</p> <p>During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 12 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.</p>		
8725-1	Watercress .....	10 p.c.	Free
8726-1	Whitloof or endive .....	10 p.c.	Free
8727-1	N.o.p. ....	10 p.c.	Free
8727-2	Radishes ..... or  In any 12 month period ending 31st March, the 10 per cent duty shall not be maintained in force in excess of 26 weeks, and the Free rate shall apply whenever the 10 per cent duty is not in effect.	10 p.c.	10 p.c. Free
8727-3	Turnips .....	10 p.c.	Free

- 15 -

SCHEDULE V - (CANADA)

(PART I - (continued))

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
8727-4	<p>Broccoli ..... or</p> <p>In any 12 month period ending 31st March, the 10 per cent duty shall not be maintained in force in excess of 16 weeks, and the Free rate shall apply whenever the 10 per cent duty is not in effect.</p> <p>When the beans (green), beets, Brussels sprouts, carrots, cauliflower, corn on the cob, lettuce or peas specified in items 8703-1, 8704-1, 8705-1, 8707-1, 8708-1, 8710-1, 8715-1, and 8720-1, are subject to the specific rates of duty and are imported in packages weighing five pounds or less, each, they shall be subject to an additional duty of .....</p>	10 p.c.	10 p.c. Free
9204-1	Vegetables, frozen:	5 p.c.	5 p.c.
9003-2	Sweet potatoes .....	17½ p.c.	Free
9010-1	Vegetables, dried, desiccated, or dehydrated, including vegetable flour, n.o.p. ....	20 p.c.	17½ p.c.
9015-1	Vegetables, pickled or preserved in salt, brine, oil or in any other manner, n.o.p. ..	20 p.c.	17½ p.c.
9020-2	Vegetable juices, liquid mustards, soy and vegetable sauces of all kinds, except tomato juice .....	20 p.c.	17½ p.c.



- 16 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
9025-1	Vegetable pastes and hash and all similar products composed of vegetables and meat or fish, or both, n.o.p. ....	20 p.c.	17½ p.c.
9030-1	Potatoes, pre-cooked, without admixture beyond the addition of preservatives, in powder, flake or granular form .....	17½ p.c.	15 p.c.
9032-1	Potatoes, pre-cooked, with admixture beyond the addition of preservatives .....	20 p.c.	17½ p.c.
9035-1	Vegetable materials for use as flavourings .....	10 p.c.	7½ p.c.
9040-1	Dried herbs in a crude state, not advanced in value or condition by grinding or refining or by any other process of manufacture, namely: Basil, bay laurel ( <i>larus nobilis</i> ), marjoram, mint, oregano, rosemary, sage, savory, tarragon and thyme .....	5 p.c.	Free
9045-1	Okra, sliced and salted .....	5 p.c.	Free
9100-1	Soups, soup rolls, tablets, cubes, or other soup preparations, n.o.p. ....	20 p.c.	17½ p.c.
	Fruits, fresh, in their natural state, the weight of the packages to be included in the weight for duty:		
9201-1	Apricots ..... per pound or	1½ cts. 10 p.c.	1½ cts. Free

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
9201-1 (cont'd)	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 10 weeks, and the Free rate shall apply whenever the specific duty is not in effect.		
9202-1	Cherries, sour ..... per pound or	3 cts. 10 p.c.	3 cts. Free
	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 10 weeks, and the Free rate shall apply whenever the specific duty is not in effect.		
9204-1	Cranberries ..... per pound or	2 cts. ) 10 p.c. )	5 p.c.
9205-1	Peaches ..... per pound or or	1½ cts. 10 p.c.	1½ cts. 10 p.c. Free
	The Free rate shall apply during the months of November, December, January, February, March and April.		
	During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 14 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.		





SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
9402-1 (cont'd)	When the grapes specified in item 9402-1 are imported under the Most-Favoured-Nation or General Tariff the specific duty of one cent per pound shall not be maintained in force in any twelve months ending 31st March for a period in excess of 15 weeks, and whenever the specific duty of one cent per pound is not levied the Free rate shall apply.		Free
9510-1	Passion fruit ( <i>passiflora edulis</i> ) .....	15 p.c.	Free
9915-1	Raisins ..... per pound  When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.	3 cts.	1½ cts.
9935-1	Dates, n.o.p. .... per pound	1½ cts.	Free
9945-1	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.  Apricots, nectarines, pears and peaches, dried, desiccated, evaporated or dehydrated .....	15 p.c.	Free



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
9950-1	Dried currants ..... per pound  When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.	4 cts.	2 cts.
10200-1	Limes .....	15 p.c.	Free
10500-1	Fruit pulp, with sugar or not, n.o.p., and fruits, crushed ... ..... per pound	2 cts.	1½ cts.
10520-1	Cherries, sulphured or in brine, not bottled .....	15 p.c.	12½ p.c.
10525-1	Fruits and nuts, pickled or preserved in salt, brine, oil, or any other manner, n.o.p. ...	25 p.c.	17½ p.c.
10535-1	Fruits and peels, crystallized, glacé, candied or drained; cherries and other fruits of crème de menthe, maraschino or other flavour .....	25 p.c.	15 p.c.
10540-1	Oranges, grapefruit, or lemons, sliced or in the form of pulp, with or without the addition of preservatives .....	5 p.c.	Free
10545-1	Preserved ginger .....	35 p.c.	17½ p.c.
10550-1	Zucca melons, peeled or sliced, sulphured or in brine, for use in Canadian manufactures .....	10 p.c.	5 p.c.

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
10555-1	Pineapples, mint flavoured, prepared, in air-tight cans or other air-tight containers, the weight of the containers to be included in the weight for duty .....	2 cts.	Free
	Fruits, prepared, in air-tight cans or other air-tight containers, the weight of the containers to be included in the weight for duty:		
10605-1	Pineapples ..... per pound	2 cts.	Free
10701-1	Fruits, frozen: Blueberries ..... per pound	1 $\frac{3}{4}$ cts.	Free
10900-1	Nuts of all kinds, n.o.p., shelled, or not ..... per pound	1 ct.	Free
11000-1	Cocoanuts ..... per one hundred	50 cts.	Free
11300-1	Cocoanut, desiccated, sweetened or not ..... per pound	3 cts.	1 ct.
11500-1	Mackerel, herring, salmon and all other fish, n.o.p., fresh, salted, pickled, smoked, dried or boneless ..... per pound	$\frac{1}{2}$ ct.	Free
11600-1	Halibut, fresh, pickled or salted ..... per pound	$\frac{1}{2}$ ct.	Free



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Sardines, sprats or pilchards, packed in oil or otherwise, in sealed tin containers, the weight of the tin container to be included in the weight for duty:-		
11901-1	When weighing over twenty ounces and not over thirty-six ounces each ..... per box	3½ cts.	1¾ cts.
11902-1	When weighing over twelve ounces and not over twenty ounces each ..... per box	3 cts.	1½ cts.
11903-1	When weighing over eight ounces and not over twelve ounces each ..... per box	2 cts.	1 ct.
11904-1	When weighing eight ounces each or less ..... per box	1½ cts.	¾ ct.
	Anchovies, packed in oil or otherwise, in sealed tin containers, the weight of the tin container to be included in the weight for duty:-		
12001-1	When weighing over twenty ounces and not over thirty-six ounces each ..... per box	3 cts.	1½ cts.
12002-1	When weighing over twelve ounces and not over twenty ounces each ..... per box	2½ cts.	1¼ cts.
12003-1	When weighing over eight ounces and not over twelve ounces each ..... per box	1½ cts.	¾ ct.

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
12004-1	When weighing eight ounces each or less ..... per box	1 ct.	$\frac{1}{2}$ ct.
12100-2	Bonito preserved in oil .....	17 $\frac{1}{2}$ p.c.	10 p.c.
12200-1	Herring (not including kippered herring in sealed containers) packed in oil or otherwise, in sealed containers .....	25 p.c.	12 $\frac{1}{2}$ p.c.
	Fish, prepared or preserved, n.o.p.:		
12301-1	Kippered herring in sealed containers .....	17 $\frac{1}{2}$ p.c.	8 p.c.
12302-1	Salmon .....	15 p.c.	7 $\frac{1}{2}$ p.c.
12303-1	All other fish, n.o.p. ....	22 $\frac{1}{2}$ p.c.	11 p.c.
12400-1	Shell fish, fresh, n.o.p. ....	17 $\frac{1}{2}$ p.c.	Free
12405-1	Shell fish, prepared or preserved, n.o.p. ....	22 $\frac{1}{2}$ p.c.) 17 $\frac{1}{2}$ p.c.)	11 p.c.
12505-1	Oysters, prepared or preserved; oysters in the shell .....	15 p.c.	7 $\frac{1}{2}$ p.c.
12600-1	Clams in sealed containers ....	40 p.c.	20 p.c.
12700-1	Crustaceans, fresh, n.o.p.; crustaceans, prepared or preserved, n.o.p. ....	17 $\frac{1}{2}$ p.c.	8 p.c.
12805-1	Lobsters, prepared or preserved	22 $\frac{1}{2}$ p.c.	11 p.c.
12900-1	Crabs in sealed containers ....	30 p.c.	15 p.c.



**SCHEDULE V - (CANADA)**

**PART I - (continued)**

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
13000-1	Shrimp .....	5 p.c.	Free
13300-1	All other articles the produce of the fisheries, n.o.p. ....	17½ p.c.	8 p.c.
13300-2	Fish solubles .....	17½ p.c.	Free
13902-1	When prepared or preserved in sealed containers, n.o.p. ....	17½ p.c.	Free
13903-1	All other fish, n.o.p. ....	17½ p.c.	Free
13904-1	Shell fish, n.o.p. ....	17½ p.c.	Free
13905-1	Shell fish prepared or preserved, n.o.p. ....	17½ p.c.	Free
13906-1	Oysters, prepared or preserved, n.o.p. ....	17½ p.c.	Free
13907-1	Clams in sealed containers, n.o.p. ....	17½ p.c.	Free
13908-1	Crustaceans, fresh, n.o.p. ....	17½ p.c.	Free
13909-1	Crustaceans, prepared or preserved, n.o.p. ....	17½ p.c.	Free
13910-1	Lobsters, prepared or preserved, n.o.p. ....	17½ p.c.	Free
13911-1	Crabs in sealed containers, n.o.p. ....	17½ p.c.	Free

- 25 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
13800-1	Maple sugar and maple syrup ...	17½ p.c.	Free
14000-2	Molasses, the product of the sugar beet ..... per gallon	6½ cts.	1 ct.
14100-1	Sugar candy and confectionery, n.o.p., including sweetened gums, candied popcorn, candied nuts, flavouring powders, custard powders, jelly powders, sweetmeats, sweetened breads, cakes, pies, puddings and all other confections containing sugar .....	22½ p.c.	20 p.c.
	Tobacco, unmanufactured, for excise purposes under conditions of the Excise Act, subject to such regulations as may be prescribed by the Minister:-		
	Of the type commonly known as Turkish:-		
14201-1	Unstemmed ..... per pound	22 cts.	11 cts.
14202-1	Stemmed ..... per pound	40 cts.	20 cts.
	N.o.p.:-		
14205-1	Unstemmed, when imported by cigar manufacturers for use as wrappers in the manufacture of cigars in their own factories .... per pound	10 cts.	5 cts.
14210-1	Converted tobacco leaf for use in the manufacture of cigar binders and cigar wrappers ... ..... per pound	\$1.05 83 1/3 cts.	75 cts.

(cont'd)



SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	The duty under items 14201-1 to 14210-1 inclusive shall be levied on the basis of "Standard leaf tobacco" consisting of ten per centum of water and ninety per centum of solid matter.		
14305-1	Cigars, the weight of the bands and ribbons to be included in the weight for duty ..... ..... per pound and	\$1.75 15 p.c.	\$1.45 10 p.c.
14310-1	Cigars, valued for duty at more than \$6.00 per pound, the weight of the bands and ribbons to be included in the weight for duty ...per pound and	\$1.50 10 p.c.	\$1.45 10 p.c.
14315-1	Cigarettes, the weight of the paper covering to be included in the weight for duty ..... ..... per pound and less, per thousand	\$2.00 ) 15 p.c. ) \$4.00 or ) \$5.00 )	25 p.c.
14400-1	Cut tobacco ..... per pound	45 cts.	40 cts.

- 27 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
14705-1	Beverages in the manufacture of which malt, rice or corn is used, when containing not more than two and one-half per centum of proof spirit .....	40 p.c.	20 p.c.
	Fruit juices and fruit syrups, n.o.p., viz.:-		
15201-1	Lime juice .....	10 p.c.	Free
15202-1	Orange juice .....	7½ p.c.	5 p.c.
15203-1	Lemon juice .....	10 p.c.	Free
15204-1	Passion fruit juice .....	10 p.c.	Free
15205-1	Pineapple juice .....	7½ p.c.	5 p.c.
15206-1	Grapefruit juice .....	7½ p.c.	5 p.c.
15207-1	Blended orange and grapefruit juice .....	10 p.c.	5 p.c.
15209-1	Fruit syrups, n.o.p. ....	10 p.c.	5 p.c.
15215-1	Dehydrated citrus fruit juices with or without stabilizers or sugar .....	7½ p.c.	5 p.c.
15300-1	Lime juice, raw and concentrated, not refined .....		
	..... per gallon	15 cts.	Free
15605-1	Whiskey .....	\$1.00	50 cts.
	per gallon of the strength of proof		
15610-1	Gin .....	\$1.00	50 cts.
	per gallon of the strength of proof		
15615-1	Rum, n.o.p. ....	\$2.00	\$2.00
	per gallon of the strength of proof		



SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
15620-1	Brandy ..... per gallon of the strength of proof	\$2.00	\$1.00
15625-1	Liqueurs ..... per gallon of the strength of proof	50 cts.	50 cts.
15630-1	Spirituous or alcoholic liquors, n.o.p.; absinthe, arrack or palm spirit, artificial brandy and imitations of brandy, n.o.p.; cordials of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, and alcoholic bitters or beverages, n.o.p.; and wines, n.o.p., containing more than forty per cent of proof spirit .....per gallon of the strength of proof	\$6.00	\$1.00
15635-1	Vodka .....per gallon of the strength of proof	\$2.00	\$1.00
15645-1	Ethyl alcohol for use as a spirituous or alcoholic beverage or for the manufacture of spirituous or alcoholic beverages ..... per gallon of the strength of proof	\$6.00	\$1.00
<p>When the goods specified in items 15605-1, 15610-1, 15615-1, 15620-1, 15625-1, 15630-1, 15635-1 and 15645-1 are of greater or less strength than the strength of proof, the measurement thereof and the amount of duty payable thereon shall be increased or decreased in proportion for any greater or less strength than the strength of proof.</p>			

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
16002-1	<p>Alcoholic perfumes:</p> <p>When in bottles, flasks or other packages, containing more than four ounces each ..... per gallon and</p>	<p>\$4.00 22½ p.c.</p>	<p>20 p.c.</p>
16101-1	<p>Perfumed spirits, bay rum, cologne and lavender waters, lotions, hair, tooth and skin washes, and other toilet preparations containing spirits of any kind:-</p> <p>When in bottles or flasks containing not more than four ounces each .....</p>	<p>30 p.c.</p>	<p>25 p.c.</p>
16102-1	<p>When in bottles, flasks or other packages, containing more than four ounces each..</p>	<p>)</p>	<p>25 p.c.</p>
16102-2	<p>Valued at not more than \$8.00 per gallon ..... per gallon and</p>	<p>\$2.00 20 p.c.</p>	<p>)</p>
16102-3	<p>Valued at more than \$8.00 per gallon ..... per gallon and</p>	<p>\$3.00 20 p.c.</p>	<p>)</p>
16800-1	<p>Malt flour containing less than fifty per centum in weight of malt; malt syrup or malt syrup powder, n.o.p.; extracts of malt, fluid or not; grain molasses -- all articles in this item upon valuation without British or foreign excise duties, under regulations prescribed by the Minister ..... and, per pound</p>	<p>25 p.c. 5 cts.</p>	<p>20 p.c.</p>





- 31 -

SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
17900-1	Labels for cigar boxes, fruits, vegetables, meats, fish, confectionery or other goods or wares; shipping, price or other tags, tickets or labels, and railroad or other tickets, whether lithographed or printed, or partly printed, n.o.p.; the foregoing not including labels of textile fibres or filaments .....	22½ p.c.	20 p.c.
18010-1	Decalcomania transfers of all kinds, n.o.p. ....	20 p.c.	17½ p.c.
18030-1	Plans and drawings, related specifications, any substitute therefor, reproductions of the foregoing, n.o.p.; maps and charts, n.o.p. ....	20 p.c.	17½ p.c.
18100-1	Bank notes, bonds, bills of exchange, cheques, promissory notes, drafts and all similar work, unsigned, and cards or other commercial blank forms printed or lithographed, or printed from steel or copper or other plates, and other printed matter, n.o.p. ....	22½ p.c.	20 p.c.
18105-1	Pictorial post-cards, greeting cards and similar artistic cards or folders .....	25 p.c.	20 p.c.
18700-1	Albumenized and other papers, textile fabrics and films, n.o.p.; all the foregoing chemically prepared for photographers' use .....	20 p.c.	17½ p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
19200-1	Tarred paper and prepared roofings (including shingles), fibreboard, strawboard, sheathing and insulation, manufactured wholly or in part of vegetable fibres, n.o.p.; blotting paper, not printed nor illustrated.....	20 p.c.	15 p.c.
19200-3	Shoebord, in rolls or sheets, of paper or paperboard, not less than 0.012 inch in thickness....	20 p.c.	5 p.c.
19200-4	Beer mat or coaster board, in rolls or sheets, not less than 0.012 inch in thickness, not embossed, not printed and not decorated .....	20 p.c.	Free
19205-1	Pulpboard in rolls not less than nine one-thousandths of an inch in thickness for use in wrapping rolls of paper .....	5 p.c.	Free
19210-1	Pulpboard in rolls for use in the manufacture of wallboard ...	5 p.c.	Free
19215-1	Sandpaper, glass or flint paper, and emery paper or emery cloth..	20 p.c.	17½ p.c.
19220-1	Roofing and shingles of saturated felt .....	20 p.c.	15 p.c.
19235-1	Paperboard or fibreboard, single ply, not coated nor impregnated, in rolls containing not less than five hundred square feet, when imported by manufacturers of impregnated socklining base, inner-soling, welting, or similar materials, for use only in the manufacture of such materials in their own factories .....	7½ p.c.	Free

- 33 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
19240-1	Roofing felt, single ply, not coated or impregnated, in rolls containing not less than 500 square feet, when imported by manufacturers of asphalt roofing (including shingles and siding) for use only in the manufacture of such materials in their own factories .....	7½ p.c.	Free
19300-1	Paper sacks or bags of all kinds, printed or not .....	20 p.c.	15 p.c.
19500-1	Paper hanging or wall papers, including borders or bordering..	22½ p.c.	15 p.c.
19500-2	Hanging paper, not impregnated, not coated, not surface-coloured, not embossed, not ruled, not lined, not printed and not decorated .....	22½ p.c.	Free
19700-1	Paper of all kinds, n.o.p. ....	22½ p.c.) 20 p.c.)	15 p.c.
19710-1	Wrapping paper of all kinds, not pasted, coated or embossed.....	22½ p.c.	15 p.c.
19750-1	Printing papers, coated or uncoated, in rolls or rectangular sheets, weighing over 18 pounds per ream .....	22½ p.c.	12½ p.c.
19800-1	Ruled and border and coated papers, boxed papers, pads not printed, papier-mâché ware, n.o.p. ....	22½ p.c.) 17½ p.c.)	15 p.c.
19900-1	Papeteries, envelopes, and all manufactures of paper, n.o.p.	22½ p.c.) 25 p.c.)	17½ p.c.



SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
19905-1	Paper milk bottle caps, printed or not .....	25 p.c.	17½ p.c.
19910-1	Containers wholly or partially manufactured from fibreboard or paperboard, n.o.p. ....	4/5ct./lb.; 20 p.c. minimum	17½ p.c.
19911-1	Fibreboard shipping containers ..	4/5ct./lb.; 20 p.c. minimum	15 p.c.
19915-1	Waxed stencil paper for use on duplicating machines .....	22½ p.c.	15 p.c.
19930-1	Hand made papers, not to include mould-made deckle-edge papers, valued at not less than 40 cents per pound wholesale .....	22½ p.c.	20 p.c.
19945-1	Trays of pulp or pulp board imported for use exclusively in the packaging of apples in their natural state .....	7½ p.c.	Free
19960-1	Woven paper fabrics, open mesh, not less than nine feet in width, for use in the manufacture of carpets .....	20 p.c.	15 p.c.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
22001-1	All medicinal and pharmaceutical preparations, compounded of more than one substance, whether containing alcohol or not, including patent and proprietary preparations, tinctures, pills, powders, troches, lozenges, filled capsules, tablets, syrups, cordials, bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters, essences and oils .....  Any article in this item containing more than forty per cent of proof spirit shall be rated for duty at ..... per gallon and	20 p.c.) 25 p.c.)  \$2.00 20 p.c.	15 p.c.  \$1.50 15 p.c.
22003-1	Drugs, n.o.p. ....	20 p.c.	15 p.c.
22800-1	Soap powders, powdered soap, mineral soap, and soap, n.o.p....	20 p.c.) 22½ p.c.)	17½ p.c.
23200-1	Glue, n.o.p. .... and, per pound	22½ p.c. 5 cts.	20 p.c.
23205-1	Gelatine, n.o.p. ....	22½ p.c.	20 p.c.
23210-1	Vegetable glue .....	27½ p.c.	20 p.c.
23215-1	Gelatine, edible .....	22½ p.c.	20 p.c.
23230-1	Mucilage and adhesive paste ..... and, per pound	20 p.c. 2½ cts.	20 p.c.
23400-1	Perfumery, including toilet preparations, non-alcoholic, viz., hair oils, tooth and other powders and washes, pomatums, pastes and all other perfumed preparations, n.o.p., used for the hair, mouth or skin.....	22½ p.c.	20 p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
23500-1	Liquorice fibres, whether or not dried, cleaned, cut to size, ground or sifted .....	10 p.c.	Free
23505-1	Liquorice blocks, granules, paste or powder, not sweetened..	12½ p.c.) 20 p.c.)	Free
23510-1	Liquorice in rolls or sticks, not sweetened .....	15 p.c.	Free
	Gums, namely:		
25402-1	Amber and Arabic .....	Free	Free
25800-1	Linseed and flaxseed oil, raw or boiled .....		10 p.c.
25805-1	Linseed and flaxseed oil, other than raw or boiled .....		17½ p.c.
25900-1	Lard oil and neat's foot oil ....	22½ p.c.	17½ p.c.
25915-1	Castor oil, crude .....		Free
26505-1	Fish oils, n.o.p. ....	20 p.c.	15 p.c.
26505-2	Menhaden oil .....	17½ p.c.	15 p.c.
26515-1	Halibut liver oil, crude or refined .....	20 p.c.	15 p.c.
26605-1	Tung or china wood oil .....		Free
27600-1	Mustard seed .....		Free
27605-1	Rape seed .....		Free
27610-1	Sesame seed .....		Free
27615-1	Sunflower seed .....		Free

- 37 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Oilcake and oilcake meal, including pellets or other shapes:		
27701-1	Cottonseed .....		Free
27702-1	Linseed .....		Free
27703-1	Peanut .....		Free
27704-1	Soya bean .....		Free
27705-1	All other, of vegetable origin..		Free
	Vegetable oils, crude or crude degummed:		
27711-1	Cocoanut .....		10 p.c.
27712-1	Corn .....		10 p.c.
27713-1	Cottonseed .....		10 p.c.
27714-1	Palm .....		10 p.c.
27715-1	Palm kernel .....		10 p.c.
27716-1	Peanut .....		10 p.c.
27717-1	Rapeseed .....		10 p.c.
27718-1	Soya bean .....		10 p.c.
27719-1	Sunflower seed .....		10 p.c.
27720-1	All other, n.o.p., and mixtures of vegetable oils, n.o.p. ....		10 p.c.
	Vegetable oils, other than crude or crude degummed:		
27731-1	Cocoanut .....		17½ p.c.
27732-1	Corn .....		17½ p.c.
27733-1	Cottonseed .....		17½ p.c.



- 38 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
27734-1	Palm .....		17½ p.c.
27735-1	Palm kernel .....		17½ p.c.
27736-1	Peanut .....		17½ p.c.
27737-1	Rapeseed .....		17½ p.c.
27738-1	Soya bean .....		17½ p.c.
27739-1	Sunflower seed .....		17½ p.c.
27740-1	All other, n.o.p., and mixtures of vegetable oils, n.o.p. ....		17½ p.c.
27800-1	Soya bean oil for use in the manufacture of paints and varnishes .....		Free
27805-1	Vegetable oils for use in canning fish .....		Free
27810-1	Olive oil .....		Free
27815-1	Cashew nut shell oil .....		Free
27820-1	Soapstocks of vegetable origin with a moisture content of fifty per cent or more by weight, and acid oils of vegetable origin with a free fatty acid content of less than ninety per cent by weight.....		10 p.c.

- 39 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
28110-1	Fire brick, n.o.p. ....	15 p.c.	10 p.c.
28200-1	Building brick and paving brick..	15 p.c.	10 p.c.
28205-1	Manufactures of clay or cement, n.o.p. ....	17½ p.c.	12½ p.c.
28220-1	Hydraulic cement concrete mixes, wet or dry .....	17½ p.c.	Free
28215-1	Grog, produced by calcining fire clay, or in the form of calcined dobbies, fire brick, or other refractory shapes, which have been broken, crushed, or ground, screened to size or not, but not further manufactured, when imported for use exclusively by manufacturers of refractory materials in the manufacture of such materials .....	\$1.00	Free
	..... per ton		
	In no case shall the duty exceed	20 p.c.	
28400-1	Drain pipes, sewer pipes and earthenware fittings therefor, chimney linings or vents, chimney tops and inverted blocks, glazed or unglazed, n.o.p. ....	22½ p.c.	20 p.c.
28410-1	Gypsum tile .....	20 p.c.	15 p.c.
28415-1	Earthenware tiles, n.o.p. ....	22½ p.c.	20 p.c.
28700-1	All tableware of china, porcelain, semi-porcelain or white granite, but not to include tea-pots, jugs and similar articles of the type commonly known as earthenware .....	25 p.c.	20 p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
28800-1	Stoneware and Rockingham ware and earthenware, n.o.p. ....	25 p.c.	20 p.c.
28805-1	Chemical stoneware composed of a non-absorbent vitrified body specially compounded to resist acids or other corrosive reagents .....	17½ p.c.	10 p.c.
28900-1	Baths, bathtubs, basins, closets, closet seats and covers, closet tanks, lavatories, urinals, sinks and laundry tubs of earthenware, stone, cement, clay or other material, n.o.p.	22½ p.c.	20 p.c.
29000-1	Portland and other hydraulic cement, n.o.p.; cement clinker..	8¢/100 lbs ) 3½¢/100 lbs ) 20 p.c. )	Free )
29005-1	White, non-staining Portland cement....per one hundred pounds	8 cts.	4 cts.
29010-1	Lime .....	8¢/100 lbs ) 15 p.c. )	Free )
29300-1	Plaster of Paris, or gypsum, calcined, and prepared wall plaster, the weight of the package to be included in the weight for duty .....	11 cts.	6 cts.
29400-1	Gypsum, ground, not calcined ....	12½ p.c.	Free
29525-1	China clay .....	20 p.c.) Free )	Free )
29615-1	Magnesium carbonate, basic or otherwise, excepting crude rock, n.o.p. ....	20 p.c.	15 p.c.
29625-1	Feldspar, ground but not further manufactured .....	15 p.c.	7½ p.c.

- 41 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
29650-1	Mica, phlogopite and muscovite, unmanufactured, in blocks, sheets, splittings, films, waste and scrap .....	10 p.c.	Free
30000-1	Crucibles, n.o.p., and covers therefor .....	15 p.c.	10 p.c.
30400-1	Grindstones, mounted or not, n.o.p. ....	22½ p.c.	17½ p.c.
30500-1	Flagstone, sandstone and all building stone, not hammered, sawn or chiselled .....	10 p.c.	Free
30510-1	Granite, rough, not hammered or chiselled .....	12½ p.c.	Free
30520-1	Granite, sawn .....	15 p.c.	7½ p.c.
30525-1	Paving blocks of stone .....	15 p.c.	7½ p.c.
30530-1	Flagstone and building stone, other than marble or granite, sawn on not more than two sides .....	15 p.c.	7½ p.c.
30605-1	Building stone, other than marble or granite, sawn on more than two sides but not sawn on more than four sides .....	20 cts. per cwt.	7½ p.c.
30610-1	Building stone, other than marble or granite, planed, turned, cut or further manufactured than sawn on four sides .....	45 cts. per cwt.	12½ p.c.
30710-1	Granite, n.o.p. ....	25 p.c.	17½ p.c.
30715-1	Manufactures of granite, n.o.p....	25 p.c.	17½ p.c.



- 42 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
30800-1	Manufactures of stone, n.o.p.....	30 p.c.	17½ p.c.
30900-1	Roofing slate, per square of one hundred square feet .....	70 cts.	Free
31000-1	Slate mantels and other manufactures of slate, n.o.p. ....	27½ p.c.	17½ p.c.
31100-1	Slate pencils and school writing slates .....	22½ p.c.	17½ p.c.
31215-1	Yarns, wholly or in part of asbestos, for use in the manufacture of clutch facings and brake linings .....	12½ p.c.	7½ p.c.
31300-1	Plumbago, not ground or otherwise manufactured .....	5 p.c.	Free
31400-1	Plumbago, ground, and manufactures of, n.o.p., and foundry facings of all kinds .....	22½ p.c.) 20 p.c.)	15 p.c.
31600-1	Electric light and arc carbons, pointed or not, and contact carbons, n.o.p. .... and, per pound	22½ p.c. 7½ cts.	20 p.c. -
	Laminated glass, of sheet glass, plate glass or float glass, or combinations thereof:		
32202-1	N.o.p. ....	25 p.c.	20 p.c.
32300-1	Manufactures of laminated glass, n.o.p. ....	25 p.c.	20 p.c.
32606-1	Glass tableware, n.o.p., and illuminating glassware, n.o.p....	22½ p.c.	20 p.c.
32609-1	Opal glassware, n.o.p. ....	22½ p.c.	20 p.c.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
32612-1	Cut glass tableware and cut glassware, n.o.p. ....	22½ p.c.	20 p.c.
32615-2	Glass beads for cleaning, peening or surface finishing .....	17½ p.c.	12½ p.c.
32700-1	Spectacles; eyeglasses, and ground or finished spectacle or eyeglass lenses, n.o.p. ....	20 p.c.	17½ p.c.
33100-1	Bismuth, metallic, in its natural state .....	Free	Free



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
33700-1	Lead, old, scrap, pig and block ..... per pound	$\frac{1}{2}$ ct.	Free
33800-1	Lead, in bars and in sheets .....	10 p.c.	5 p.c.
33900-1	Lead, manufactures of, n.o.p. ...	25 p.c.	17 $\frac{1}{2}$ p.c.
33905-1	Lead capsules for bottles .....	22 $\frac{1}{2}$ p.c.	17 $\frac{1}{2}$ p.c.
33910-1	Collapsible tubes of lead or tin or lead coated with tin .....	25 p.c.	17 $\frac{1}{2}$ p.c.
34100-1	Babbitt metal and type metal, in blocks, bars, plates and sheets.	20 p.c.	10 p.c.
34505-1	Zinc spelter, zinc, and zinc alloys containing not more than ten per cent by weight of other metal or metals, in the form of pigs, slabs, blocks, dust or granules .....	$\frac{1}{2}$ ct.	Free
34710-1	Tungsten rod and tungsten wire...	Free	Free
34800-1	Copper scrap, matte and blister, and copper in pigs, blocks or ingots; cathode plates or electrolytic copper for melting.  Nothing shall be deemed to be copper scrap except waste or refuse copper fit only to be remanufactured in furnaces.	$\frac{3}{4}$ ct.lb) 20 p.c.)	Free
34815-1	Brass scrap and brass in blocks, ingots or pigs; copper in bars or rods, not less than six feet in length, unmanufactured, n.o.p.; copper in strips, sheets or plates, not polished, planished or coated; brass or copper tubing, in lengths not less than six feet, and not		

- 45 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
34815-1 (cont'd)	polished, bent or otherwise manufactured .....	10 p.c.	5 p.c.
34820-1	Copper in bars or in rods, when imported by manufacturers of trolley, telegraph and telephone wires, electric wires and electric cables, for use only in the manufacture of such articles in their own factories	10 p.c.	5 p.c.
34825-1	Brass or copper tubing, not more than one-half of an inch in diameter, in lengths not less than six feet, coated with metal, and not polished, bent, or otherwise manufactured .....	10 p.c.	5 p.c.
34900-1	Brass in bars and rods, in coil or otherwise, not less than six feet in length, and brass in strips, sheets or plates, not polished, planished or coated...	10 p.c.	5 p.c.
34905-1	Alloys of copper, n.o.p., con- taining 50 p.c. or more by weight of copper, viz.: sheets, plates, strips, bars, rods and tubes .....	15 p.c.	5 p.c.
34905-2	Copper beryllium alloys, namely: ingots, sheets, plates, strips, bars, rods, tubes and wire.....	7½ p.c.	5 p.c.
34910-1	Alloys of magnesium, viz.: ingots, pigs, sheets, plates, strips, bars, rods and tubes .....	10 p.c.	5 p.c.



- 46 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
33700-1	Metals, n.o.p., not including alloys, in lumps, powders, ingots or blocks:		
35101-1	Other than the following .....	15 p.c.) 20 p.c.)	5 p.c.
35102-1	Cadmium .....	20 p.c.	Free
35103-1	Cobalt .....	10 p.c.	Free
35105-1	Magnesium .....	20 p.c.	5 p.c.
35106-1	Bismuth, n.o.p. ....	20 p.c.	Free
35200-1	Brass and copper nails, tacks, rivets and burrs or washers; bells and gongs, n.o.p.; and manufactures of brass or copper, n.o.p. ....	20 p.c.	17½ p.c.
35215-1	Screws of brass, copper or other metal, n.o.p.:		
35215-1	Wood screws .....	30 p.c.	17½ p.c.
35216-1	Machine and other screws, n.o.p..	30 p.c.	17½ p.c.
35220-1	Coin locks of which solid brass or bronze are the components of chief value, plain, polished or plated .....	30 p.c.	20 p.c.
	Aluminum and alloys thereof:		
35301-1	Pigs, ingots, blocks, notch bars, slabs, billets, blooms, and wire bars..... per pound	1¼ cts.	1 ct.
35302-1	Bars, rods, plates, sheets, strips, circles, squares, discs and rectangles .....	3 cts.	2 cts.
35303-1	Angles, channels, beams, tees and other rolled, drawn or extruded sections and shapes.....	22½ p.c.	12½ p.c.

- 47 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
35305-1	Pipes and tubes .....	22½ p.c.	12½ p.c.
35306-1	Leaf, n.o.p., or foil, less than .005 inch in thickness, plain or embossed, with or without backing .....	30 p.c.	15 p.c.
35307-1	Aluminum powder .....	27½ p.c.	15 p.c.
35310-1	Granules, cut from ingots, for use in the manufacture of cleaning compounds ...per pound	1¼ ct.	1 ct.
35400-1	Manufactures of aluminum, n.o.p..	22½ p.c.	17½ p.c.
35405-1	Kitchen or household hollow-ware of aluminum, n.o.p. ....	22½ p.c.	17½ p.c.
35410-1	Kitchen or household hollow-ware of nickel, n.o.p. ....	25 p.c.	17½ p.c.
35515-1	Nickel, and alloys containing sixty per cent by weight or more of nickel, in powder form..	20 p.c. (suspended)	Free
35520-1	Nickel or nickel alloys, namely: matte, sludges, spent catalysts and scrap, and concentrates other than ores .....	20 p.c. (suspended)	Free
35700-1	Britannia metal, nickel silver, Nevada and German silver, manufactures of, not plated, n.o.p.	20 p.c.	17½ p.c.
35800-1	Anodes of nickel, zinc, copper, silver or gold .....	7½ p.c.	Free



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
36100-1	Gold and silver leaf; Dutch or schlag metal leaf; brocade and bronze powders .....	25 p.c.	20 p.c.
36200-1	Articles consisting wholly or in part of sterling or other silver-ware, n.o.p.; manufactures of gold or silver, n.o.p. ....	27½ p.c.	22½ p.c.
36205-1	Metal parts, electro-plated, for loose-leaf binders .....	17½ p.c.	12½ p.c.
36210-1	Toilet articles of all kinds, including atomizers, brushes, buffers, button hooks, combs, cuticle knives, hair receivers, hand-mirrors, jewel boxes, manicure scissors, nail files, perfume bottles, puff jars, shoe horns, trays and tweezers, of which the manufactured component material of chief value is sterling silver .....	25 p.c.	20 p.c.
36215-1	Nickel-plated ware, gilt or electro-plated ware, n.o.p.....	22½ p.c.	17½ p.c.
36215-2	Cigar and cigarette lighters, n.o.p., nickel-plated, gilt or electro-plated .....	22½ p.c.	20 p.c.
36505-1	Findings of metal, not plated or coated, including stampings, trimmings, spring-rings, bolt-rings, clasps, snaps, swivels, vest chain bars, joints, catches, pin tongues, buckle tongues, coil pins, clip actions, settings and eyepins, when imported by manufacturers of jewellery or ornaments for the adornment of the person, for use exclusively in the manufacture of such articles, in their own factories.....	20 p.c.	12½ p.c.

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
36600-1	Watches of all kinds .....	30 p.c.	20 p.c.
	When imported under the Most-Favoured-Nation or the General Tariff, the duty shall be not less than .....each	40 cts.	-
36605-1	Watch actions and movements, finished or unfinished .....	15 p.c.	10 p.c.
	When imported under the Most-Favoured-Nation or the General Tariff, the duty shall be not less than .....each	40 cts.	-
36610-1	Parts of watch movements, finished or unfinished .....	15 p.c.	10 p.c.
	When imported under the Most-Favoured-Nation or General Tariff, the duty on plates designed to hold in place four or more wheels or other moving parts shall be not less than ..... per plate	5 cts.	-
36700-1	Watch cases, and parts thereof, finished or unfinished .....	22½ p.c.	20 p.c.
36800-1	Clocks, time recorders, clock movements, clockwork mechanisms, and clock cases .....	30 p.c.	25 p.c.
	When imported under the Most-Favoured-Nation or the General Tariff, the duty shall be not less than .....each	40 cts.	-
36900-1	Parts of clock movements or of clockwork mechanisms, finished or unfinished, not including plates .....	25 p.c.	12½ p.c.



- 50 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
37000-1	Copper rollers, and stones, used in the printing of textile fabrics or wallpaper .....	10 p.c.	Free
37400-1	Pig iron, n.o.p. .... per ton	\$2.50	Free
	Ferro-alloys:-		
37501-1	Ferro-manganese, spiegeleisen and other alloys of manganese and iron containing not more than 1 per centum, by weight, of silicon-per pound, or fraction thereof, on the manganese contained therein...	1 ct.	$\frac{1}{2}$ ct.
37502-1	Silico-manganese, silico spiegel and other alloys of manganese and iron containing more than 1 per centum, by weight of silicon-per pound, or fraction thereof, on the manganese contained therein .....	1 $\frac{1}{2}$ cts.	$\frac{3}{4}$ ct.
37503-1	Ferro-silicon, being an alloy of iron and silicon containing 8 per centum or more, by weight, of silicon and less than 60 per centum-per pound, or fraction thereof, on the silicon contained therein .....	1 ct.	Free
37504-1	Ferro-silicon, being an alloy of iron and silicon containing 60 per centum or more, by weight, of silicon and less than 90 per centum-per pound, or fraction thereof, on the silicon contained therein .....	1 $\frac{1}{2}$ cts.	$\frac{3}{4}$ ct.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
37505-1	Ferro-silicon, being an alloy of iron and silicon containing 90 per centum or more, by weight, of silicon-per pound, or fraction thereof, on the silicon contained therein .....	5 cts.	2½ cts.
37700-1	Ingots of iron or steel, n.o.p. .... per ton	\$3.00	Free
37905-1	Bars or rods of iron or steel, as described in tariff item 37900-1, cold-rolled or cold-drawn .....	15 p.c.	12½ p.c.
37910-1	Bars or rods of iron or steel, as described in tariff item 37900-1, further processed than hot- or cold-rolled or cold-drawn, or otherwise processed...	15 p.c.	12½ p.c.
37950-1	Shapes or sections of iron or steel, n.o.p., not further manufactured than extruded or drawn .....	22½ p.c.	12½ p.c.
38010-1	Iron or steel angles, beams, channels, columns, girders, joists, piling; tees, zees, and other shapes or sections, punched, drilled or further manufactured than hot-rolled, n.o.p. ....	22½ p.c.	17½ p.c.
38105-1	Plate of iron or steel, flanged or dished .....	20 p.c.	15 p.c.
38110-1	Plate of iron or steel, n.o.p. ..	15 p.c.	12½ p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Sheet or strip of iron or steel, corrugated or not, and whether or not with rolled surface pattern:		
38202-1	Cold-rolled or cold-drawn .....	15 p.c.	12½ p.c.
38203-1	Coated with tin or vitreous enamel .....	15 p.c.	12½ p.c.
38204-1	Coated with zinc .....	15 p.c.	12½ p.c.
38205-1	Coated, n.o.p. ....	15 p.c.	12½ p.c.
38715-1	Railway intersection layouts, intersections, switches, crossings, frogs, guard rails, of iron or steel .....	25 p.c.	17½ p.c.
39000-1	Castings, of iron or steel, in the rough, n.o.p. ....	17½ p.c.	15 p.c.
39200-1	Forgings, of iron or steel, in any degree of manufacture, n.o.p. ....	22½ p.c.	17½ p.c.
39205-1	Forgings of iron or steel, hollow, rough-machined or not, not less than twelve inches in internal diameter; all other forgings, solid or otherwise, rough-turned or rough-machined or not, of a weight of twenty tons or more .....	20 p.c.	17½ p.c.
39401-1	Axles and axle bars, n.o.p., and axle blanks, and parts thereof, of iron or steel:- For railway vehicles, including locomotives and tenders .....	22½ p.c.	17½ p.c.

- 53 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
39402-1	For other vehicles, n.o.p. ....	22½ p.c.	17½ p.c.
39403-1	N.o.p. ....	22½ p.c.	17½ p.c.
39700-1	Pipes or tubes of iron or steel, n.o.p., with plain or processed ends, whether or not coated or lined .....	20 p.c.	17½ p.c.
40000-1	Fittings and couplings of iron or steel, n.o.p., for pipes and tubes, parts therefor .....	20 p.c.	17½ p.c.
40005-1	Fittings and couplings of iron or steel, not further manufactured than forged or bent to shape, whether or not deburred or descaled, for use in the manufacture of fittings and couplings .....	10 p.c. ) 22½ p.c. )	10 p.c.
	Wire of iron or steel, single:		
40101-1	Round, n.o.p. ....		7½ p.c.
40102-1	Other than round, n.o.p. ....		10 p.c.
40103-1	Coated or covered with any material, n.o.p. ....		10 p.c.
40104-1	Valued at not less than two and three-quarter cents per pound for use in the manufacture of wire rope .....		5 p.c.
	Products of wire of iron or steel, namely:		
40111-1	Barbed wire .....		10 p.c.
40112-1	Cloth, fencing, mesh, netting and screening .....		12½ p.c.



- 54 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
40113-1	Wire rope and strand, n.o.p.; wires, twisted, braided, bunched or otherwise conjoined, n.o.p. ....		15 p.c.
40114-1	Wire rope or cable, coated or not, for use exclusively in commercial fishing operations..		10 p.c.
	Wire of all metals or alloys thereof, n.o.p.:		
40121-1	Single, not coated or covered...		12½ p.c.
40122-1	Single, coated or covered .....		15 p.c.
40123-1	Twisted, braided, bunched or otherwise conjoined, whether or not reinforced with steel, coated or covered or not, including cable, rope and strand .....		17½ p.c.
40130-1	Wire cloth or woven wire inclu- ding fourdrinier wire cloth of copper or alloys of copper containing 50 per cent or more by weight of copper .....		17½ p.c.
	Springs, of iron or steel:		
40401-1	For the running and draft gear of railway vehicles, including locomotives and tenders .....	27½ p.c.	17½ p.c.
40402-1	For the running gear of other vehicles, n.o.p. ....	27½ p.c.	17½ p.c.
40510-1	Furniture springs .....	25 p.c.	17½ p.c.

- 55 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
40602-1	Coil chain, coil chain links, including repair links, and chain shackles, of iron or steel: Less than one and one-eighth inches in diameter .....	22½ p.c.	17½ p.c.
40705-1	Chains, of iron or steel, n.o.p., and complete parts thereof .....	22½ p.c.	17½ p.c.
40954-1	Poultry processing equipment, namely: plucking, scalding, washing, singeing, eviscerating and packaging equipment; parts of the foregoing .....	5 p.c.	Free
40960-1	Roofs, chutes, ladders, wall sections with or without doors incorporated therein, materials and parts; all of the foregoing for the construction or repair of silos for storing ensilage...	17½ p.c.) 20 p.c.)	10 p.c.
41110-1	Cylinder stave saws, wheel type stave jointers, crozing and champhering machinery, and complete parts thereof .....	15 p.c.	12½ p.c.
41201-1	Printing presses n.o.p., other than flat-bed screen-process printing presses, with an image or printing area of 374 square inches or larger; mechanical deliveries or conveyors for use with such presses; parts of the foregoing.....	Free ) 10 p.c.)	Free
41430-1	Cash registers .....	22½ p.c.	20 p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
41515-1	Washing machines, domestic, with or without motive power incorporated therein; complete parts of washing machines .....	22½ p.c.	20 p.c.
41520-1	Clothes wringers, domestic, and complete parts of metal thereof.	22½ p.c.	20 p.c.
41535-1	Carpet sweepers .....	25 p.c.	20 p.c.
41540-1	Domestic clothes drying machines, and parts thereof.....	22½ p.c.	20 p.c.
41545-1	Domestic combination clothes washing and drying machines, and parts thereof .....	22½ p.c.	20 p.c.
42400-1	Fire engines and other fire extinguishing machines and chassis for same; complete parts other than chassis parts .....	20 p.c.	17½ p.c.
42405-1	Hand fire extinguishers, and sprinkler heads for automatic sprinkler systems for fire protection .....	20 p.c.	17½ p.c.
42505-1	Power lawn mowers, self-propelled or not, whether or not containing the power unit .....	20 p.c.	17½ p.c.
42515-1	Lawn mowers, n.o.p. ....	22½ p.c.	15 p.c.
42610-1	Veneer-drying machines, and complete parts thereof .....	5 p.c.	Free
42700-1	Machines, n.o.p., and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing .....	20 p.c.) 22½ p.c.)	15 p.c.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
42729-1	Ball and roller bearings, n.o.p.; parts thereof .....	17½ p.c.	15 p.c.
42732-2	Machinery for dairying purposes, namely: power fillers and cappers, power milk bottle washers, power milk can washers, ice-breaking machines; none of the foregoing machinery to include motive power; parts of all the foregoing .....	15 p.c.	7½ p.c.
42738-1	Automatic machines for making and packaging cigars and cigarettes, not to include tobacco-preparing machines; parts thereof .....	7½ p.c.	Free
42805-1	Engines or boilers and complete parts thereof, n.o.p. ....	20 p.c.	15 p.c.
42815-1	Diesel and semi-diesel engines, and complete parts thereof, n.o.p. ....	20 p.c. ) 17½ p.c. )	15 p.c.
42820-1	Air-cooled internal combustion engines of not greater than 1½ h.p. rating, and complete parts thereof .....	20 p.c.	15 p.c.
	Cutlery of iron or steel, plated or not:		
42907-1	Razors and complete parts thereof; razor blades, n.o.p....	25 p.c.	17½ p.c.
42908-1	Safety razor blades .....	20 p.c.	17½ p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43000-1	Nuts and bolts with or without threads, washers, rivets, of iron or steel, coated or not, n.o.p.; nut and bolt blanks, of iron or steel .....	50 cts.	17½ p.c.
	.....per one hundred pounds and	17½ p.c.	-
43005-1	Hinges and butts, of iron or steel, coated or not, n.o.p.; hinge and butt blanks, of iron or steel .....	75 cts.	17½ p.c.
	.....per one hundred pounds and	20 p.c.	-
	Screws, of iron or steel, coated or not:-		
43010-1	Woodscrews .....	20 p.c.	17½ p.c.
43011-1	Machine and other screws, n.o.p. and, per one hundred pounds	17½ p.c. 50 cts.	17½ p.c. -
43025-1	Wire nails less than one inch in length, and nails or tacks of all kinds, n.o.p., of iron or steel, coated or not .....	22½ p.c.	17½ p.c.
43030-1	Railway spikes, of iron or steel, coated or not .....	30 p.c.	17½ p.c.
43035-1	Spikes, of iron or steel, coated or not, n.o.p. ....	30 p.c.	17½ p.c.
43120-1	Adzes, anvils, vises, cleavers, hatchets, saws, augers, bits, drills, screw-drivers, planes, spokeshaves, chisels, mallets, metal wedges, wrenches, sledges, hammers, crowbars, cantdogs, and track tools, picks, mattocks, and eyes or polls for the same..	22½ p.c.	20 p.c.

- 59 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43135-1	Measuring rules and tapes of all kinds .....	22½ p.c.	17½ p.c.
43140-1	Files and rasps .....	22½ p.c.	17½ p.c.
43200-1	Hollow-ware, of iron or steel, coated or not, n.o.p. ....	20 p.c.	17½ p.c.
43205-1	Kitchen and dairy hollow-ware of iron or steel, coated with tin, including cans for shipping milk or cream, not painted, japanned or decorated .....	20 p.c.	17½ p.c.
43210-1	Hollow-ware, of iron or steel, coated with vitreous enamel ....	22½ p.c.	17½ p.c.
43215-1	Containers manufactured from tinplate, when imported by manufacturers of food products for use exclusively in the hermetical sealing of food products, in their own factories, under regulations prescribed by the Minister. ....	20 p.c.	17½ p.c.
43220-1	Manufactures of tinplate, painted, japanned, decorated or not, and manufactures of tin, n.o.p.	20 p.c.	17½ p.c.
43405-1	Locomotives and motor cars for railways, for use exclusively in mining, metallurgical or sawmill operations, n.o.p., and chassis, tops, wheels and bodies for the same, n.o.p. ....	20 p.c.	17½ p.c.
43410-1	Locomotives for use on railways, and chassis, tops, wheels and bodies for the same, n.o.p.....	25 p.c.	17½ p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Steel wheels for use on railway rolling stock, viz.:-		
43420-1	Pressed steel .....	27½ p.c.	17½ p.c.
43421-1	N.o.p. ....	27½ p.c.	17½ p.c.
43430-1	Rolled steel wheels in one piece in the rough, not drilled nor machined in any manner, for railway vehicles, including locomotives and tenders, when imported for use in the manufacture of steel wheels for use on railway rolling stock .....	20 p.c.	17½ p.c.
43800-1	Railway cars and parts thereof, n.o.p. ....	22½ p.c.	17½ p.c.
43803-1	Automobiles and motor vehicles of all kinds, n.o.p.; electric trackless trolley buses; chassis for all the foregoing.....	17½ p.c.	15 p.c.
	Machines or other articles mounted on the foregoing or attached thereto for purposes other than loading or unloading the vehicle shall be valued separately and duty assessed under the tariff items regularly applicable thereto.		
	Bearings, clutch release, with or without collar attached; Bearings, graphite; Bearings, steel or bronze backed, with non-ferrous metal lining, parts and materials therefor; Bearings, steering knuckle thrust; Bushings or sleeve bearings of bronze or powdered metal; Bushings, graphited or oil impregnated;		
	(cont'd)		

- 61 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Ceramic insulator spark plug cores not further manufactured than burned and glazed, printed or decorated or not, without fittings; Collars, crankshaft thrust; Compressors and parts thereof, air; Commutator copper segments; commutator insulating end rings; Tapered discs of hot-rolled steel, with or without centre hold, for disc wheels; Diaphragms for fuel and vacuum pumps; Distributor rotors and cam assemblies; Door bumper shoes; Electric wiring terminals, sockets, fittings and connectors and parts and combinations thereof, including brackets and fittings permanently attached thereto, but not to include battery terminals; Gaskets of any material except cork or felt, composite or not, parts and materials therefor; Ignition contact points; Keys for shafting; Auxiliary driving control kits, designed for attachment to motor vehicles to facilitate their operation by physically disabled persons, and parts thereof; Laminated composition plastic timing gear blanks; Lenses of glass for motor vehicle lamps and for light reflectors; Lock washers; Magnetic plugs; Metal frames for convertible soft tops; Permanent mould pistons for brake master cylinders;		



SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43807-1	<p>Piston ring castings in the rough, with or without gates and fins removed;                      Propeller shaft tubes of steel bonded by rubber;                      Rails of lock seam section, corners, locks and catches, unplated ventilators and parts thereof, the foregoing being of metal other than aluminum, for the manufacture of window sashes for bus bodies;                      Shift control, electric, for two speed rear axles;                      Steel bolts, studs, plugs, rivets or nuts, capped with stainless steel, and parts thereof;                      Switches, relays, circuit breakers and solenoids and combinations and parts thereof, including starter switch assemblies;                      Synchronizing cones or blocking rings for transmissions;                      Vacuum, hydraulic or air control assemblies and parts thereof;                      Vulcanized fibre in sheets, rods, strips and tubings;</p> <p>Parts of all the foregoing;                      All of the foregoing for use in the manufacture or repair of goods enumerated in tariff items 41006-1, 42400-1 and 43803-1, or for use in the manufacture of parts therefor:</p> <p>When of a class or kind made in Canada .....</p> <p>Ammeters;                      Arm rests and wheel housing lining of indurated fibre, pressed to shape;                      Axle housings, one piece welded, machined or not, including parts welded thereto;</p>	17½ p.c.	12½ p.c.

- 63 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Carburetors; Chassis frames and steel shapes for the manufacture thereof; Cigar and cigarette lighters, whether in combination with a cigarette holder or not, including base; Composite frame and floor struc- ture of metal in the rough; Control ventilator gear box; Cylinder lock barrels, with or without sleeves and keys therefor; Dash heat indicators; Door opening weatherseal retainers; Engine speed governor units; External ornaments unplated, including name plates, letters and numerals, but not inclu- ding finish or decorative mouldings; Fluid couplings with or without drive plate assemblies; Gauges, gasoline, oil or air; Grilles not plated, polished or not before assembly, and parts thereof not plated or polished after final forming, casting or piercing, not including added finish or decorative mouldings; Hinges, finished or not, for bodies; Horns; Instrument bezel assemblies; instrument board lamps; instru- ment panel, glove compartment, luggage compartment, hood com- partment and door step lamps and wire assemblies; Instrument board panels of moulded or laminated glass fibres and plastic; Locks, electric ignition, steering gear, transmission, or combinations of such locks;		



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	<p>Mouldings of metal, with nails or prongs set in position, lead filled or not;</p> <p>Oil filter parts, namely: perforated filter refill oil board bodies, refill end discs, and roll-seam perforated tubes;</p> <p>Ornaments and identification plates of metal, unplated, not including finished or decorative mouldings;</p> <p>Pipe lines of tubing, rigid, covered or not, with or without fittings, and tubing therefor;</p> <p>Purifiers for gasoline, including brackets and fittings therefor;</p> <p>Radiator shutter assemblies, automatic;</p> <p>Radiator water gauges;</p> <p>Radiator shells not plated nor metal finished in any degree;</p> <p>Reclining seat mechanisms;</p> <p>Shackles, bearing spring;</p> <p>Speedometers;</p> <p>Spring covers of metal and closing strips or shapes therefor;</p> <p>Stampings, body, cowl, fender, front end, hood, instrument board, shields and baffles, of plain or coated metal, in the rough, trimmed or not, whether or not welded in any manner before final forming or piercing, but not metal finished in any degree, including such stampings incorporating pierce or clinch nuts;</p> <p>Steering wheels, rims and spiders therefor;</p> <p>Sun visor blanks of gypsum weatherboard;</p> <p>Swivel seat mechanisms;</p> <p>Tachometers, with or without tachographs, both electric and gear driven;</p> <p>Thermostatic controls;</p>		

- 65 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43810-1	<p>Throttle, spark, choke, and hood lock release assemblies, including buttons therefor;  Torque convertors;  Auxiliary transmission overdrive units and controls therefor;  Universal joint ball assemblies;  Windshield and window wipers;  Parts of all the foregoing, including brackets, fittings and connections therefor;</p> <p>All of the foregoing when for use in the manufacture or repair of the goods enumerated in tariff items 41006-1, 42400-1 and 43803-1, or for use in the manufacture of parts therefor .....</p> <p>Air cleaners;  Axles, front and rear;  Bell or clutch housings for vehicles having a gross vehicle weight rating of over 19,500 pounds;  Brakes;  Brake drums;  Cast aluminum road wheels for tube type tires using rim sizes larger than twenty inches by eight inches and for tubeless type tires using rim sizes larger than twenty-two and one-half inches by eight and one-quarter inches;  Clutches;  Drive shafts;  Fuel pumps;  Hubs;  Hydraulic or fluid couplings;  Internal combustion engines over 348 cubic inches in displacement;  Linkages and controls for use with clutches, transmission assemblies, power dividers or transfer cases, when the main assemblies are of a class or kind not made in Canada;</p>	17½ p.c.	12½ p.c.



SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43819-1	<p>Magnetos;                      Power dividers or transfer cases;                      Rims for pneumatic tires;                      Spring shrouds, spring seats, and spring anchor plates of metal for vehicles having a gross vehicle weight rating of over 19,500 pounds;                      Steel road wheels;                      Steering drag links for vehicles having a gross vehicle weight rating of 20,000 pounds or over;                      Steering gears;                      Tandem axle suspensions, not to include springs;                      Transmission assemblies;                      Universal joint;                      Parts of the foregoing;</p> <p>All of the foregoing when of a class or kind not made in Canada, and</p> <p>For the manufacture of motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, and the chassis for same .....</p>	17½ p.c.	12½ p.c.
43824-1	<p>Internal combustion engines of 348 cubic inches and under in displacement;                      Parts of the foregoing;</p> <p>All of the foregoing when of a class or kind not made in Canada, and</p> <p>For the manufacture of motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, and the chassis for same .....</p>	17½ p.c.	12½ p.c.

- 67 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43829-1	Parts, n.o.p., electro-plated or not, whether finished or not, for automobiles, motor vehicles, electric trackless trolley buses, fire fighting vehicles, ambulances and hearses, or chassis enumerated in tariff items 42400-1 and 43803-1, including engines, but not including ball or roller bearings, wireless receiving sets, die castings of zinc, electric storage batteries, parts of wood, tires and tubes or parts of which the component material of chief value is rubber .....	25 p.c.	15 p.c.
	Brake linings and clutch facings, whether or not including metallic wires or threads for automobiles, motor vehicles, electric trackless trolley buses, fire fighting vehicles, ambulances and hearses, or chassis enumerated in tariff items 42400-1 and 43803-1:		
43832-1	When made wholly or in part from crude asbestos of British Commonwealth origin...	25 p.c.	20 p.c.
43833-1	When made wholly or in part from crude asbestos, n.o.p....	25 p.c.	20 p.c.
43845-1	Piston castings of any material, in the rough or semi-finished..	25 p.c.	20 p.c.
43910-1	Cars, trailers including house trailers and mobile homes, n.o.p., wheelbarrows, trucks, road or railway scrapers and hand carts .....	22½ p.c.	17½ p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
43915-1	Farm wagons, including four-wheeled farm wagons equipped to be tractor-drawn; farm sleds; logging wagons; logging sleds; and complete parts of all the foregoing .....	15 p.c.	12½ p.c.
43920-1	Freight wagons, drays, sleighs, n.o.p., and complete parts thereof.....	25 p.c.	15 p.c.
43930-1	Children's carriages, sleds and other vehicles; complete parts of all the foregoing .....	22½ p.c.	17½ p.c.
44003-2	Boats, open, including sail boats, skiffs and canoes; yachts and pleasure boats (not including registered vessels, entitled to engage in the coasting trade, nor vessels in transit between Canada and any place outside thereof), not exceeding 30 feet in length overall .....	20 p.c.) 25 p.c.)	17½ p.c.
44009-1	Under such regulations as the Minister may prescribe. Racing shells or oars therefor, when imported by amateur rowing clubs for use exclusively by such clubs .....	20 p.c.	Free
44034-1	Trawls, trawling spoons, fly hooks, hooks, sinkers, swivels, bait, sportsmen's fishing reels, fishing rods, and fishing tackle, n.o.p. ....	20 p.c.	17½ p.c.

- 69 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Aircraft, not including engines, under such regulations as the Minister may prescribe:		
44043-1	When of types or sizes not made in Canada..... on and after July 1, 1967	Free 15 p.c.	- 7½ p.c.
44044-1	When of types and sizes made in Canada .....	15 p.c.	7½ p.c.
	Aircraft engines, when imported for use in the equipment of aircraft:		
44047-1	When of types or sizes not made in Canada .....	Free 15 p.c.	- 7½ p.c.
44048-1	When of types and sizes made in Canada .....	15 p.c.	7½ p.c.
	Parts of aircraft, n.o.p.:		
44052-1	When of types and sizes made in Canada .....	15 p.c.	7½ p.c.
44100-1	Guns, rifles, including air guns and air rifles not being toys; muskets, cannons, pistols, revolvers, or other firearms, n.o.p.; cartridge cases, cart- ridges, primers, percussion caps, wads or other ammunition, n.o.p.; bayonets, swords, fencing foils and masks; gun or pistol covers or cases, game bags, loading tools and cartridge belts of any material .....	22½ p.c.	20 p.c.
44300-1	Apparatus, and parts thereof, for cooking or for heating buildings	22½ p.c.	20 p.c.



- 70 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
44330-1	Timing devices for apparatus for cooking or for heating buildings; parts thereof .....	22½ p.c.	17½ p.c.
44335-1	Timers for radios and parts thereof .....	22½ p.c.	17½ p.c.
44400-1	Gas meters, and complete parts thereof .....	22½ p.c.	17½ p.c.
44405-1	Gas, coal oil or other lighting fixtures and appliances, n.o.p., including tips, burners, collars and galleries; gas mantles and incandescent gas burners; complete parts of all the foregoing .....	22½ p.c.	20 p.c.
44410-1	Lamp shades, n.o.p., and shade holders .....	22½ p.c.	20 p.c.
44500-1	Electric light fixtures and appliances, n.o.p., and complete parts thereof .....	22½ p.c.	20 p.c.
44502-1	Electric head, side and tail lights, n.o.p.; electric torches or flashlights and complete parts therefor .....	22½ p.c.	20 p.c.
44504-1	Electric arc lamps and incandescent electric light lamps, n.o.p.	25 p.c.	20 p.c.
44506-1	Electric telegraph apparatus and complete parts thereof .....	20 p.c.	17½ p.c.
44508-1	Electric telephone apparatus and complete parts thereof .....	22½ p.c.	17½ p.c.

- 71 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
44512-1	Electric and galvanic batteries, n.o.p., and complete parts thereof including separator walls of wood, cut to size or not .....	22½ p.c.	17½ p.c.
44514-1	Electric dynamos or generators and transformers, and complete parts thereof, n.o.p. ....	22½ p.c.	15 p.c.
44516-1	Electric motors, and complete parts thereof, n.o.p. ....	22½ p.c.	15 p.c.
44518-1	Electric insulators of all kinds, n.o.p., and complete parts thereof, n.o.p. ....	22½ p.c.	15 p.c.
44520-1	Electric sad irons and complete parts thereof .....	22½ p.c.	20 p.c.
44524-1	Electric apparatus and complete parts thereof, n.o.p. ....	22½ p.c.	17½ p.c.
44526-1	Electric storage batteries, composed of plates measuring not less than eleven inches by fourteen inches and not less than three-quarters inch in thickness; complete parts thereof .....	20 p.c.	17½ p.c.
44533-1	Radio and television apparatus and parts thereof, n.o.p. ....	20 p.c.	15 p.c.
44534-1	Radio or television receiving sets incorporating a record playing device .....	20 p.c.	15 p.c.
44535-1	Phonographs and parts thereof, n.o.p. ....	20 p.c.	15 p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
44548-1	Transformers and inductors for use in the manufacture or repair of the goods enumerated in tariff items 44533-1, 44534-1, 44535-1, 44536-1, 44538-1 and 44540-1.....	22½ p.c.) 20 p.c.)	15 p.c.
44600-1	Electric steam turbo generator sets, 700 h.p. and greater, of a class or kind not made in Canada, and complete parts thereof .....	20 p.c.	17½ p.c.
44603-1	Manufactures, articles or wares, of iron or steel, or of which iron or steel or both are the component materials of chief value, n.o.p. ....	22½ p.c.	17½ p.c.
44606-1	Steel bicycle rims, not enamelled nor plated .....	27½ p.c.	17½ p.c.
44612-1	Bottles or cylinders of steel for use as high-pressure containers for gas .....	20 p.c.	17½ p.c.
44621-1	Electric apparatus designed for welding and parts thereof, not including motors .....	20 p.c.	15 p.c.
44621-2	High frequency and ultra high frequency electric resistance welding apparatus .....	20 p.c.	10 p.c.
44627-1	Gas apparatus designed for welding or cutting and parts thereof, n.o.p. ....	20 p.c.	15 p.c.
44700-1	Water pumps, hand or power, for domestic purposes only .....	22½ p.c.	17½ p.c.

- 73 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
45005-1	Ice skates, not including skates with boots attached, and metal parts thereof .....	22½ p.c.	12½ p.c.
45100-1	Buckles, clasps, eyelets, hooks and eyes, dome, snap or other fasteners of iron, steel, brass or other metal, coated or not, n.o.p. (not being jewellery); parts of all the foregoing ....	22½ p.c.	20 p.c.
45105-1	Spring-beard needles and latch needles .....	25 p.c. \$1.50	20 p.c. -
45110-1	Needles, of any material or kind, n.o.p. ....	25 p.c.	20 p.c.
45116-1	Pins manufactured from wire of any metal:- N.o.p. ....	25 p.c. 10 cts.	20 p.c. -
45120-1	Corset clasps, busks, blanks, steels, and covered corset wires, cut to length, tipped or untipped; reed, rattan or horn, covered .....	27½ p.c.	20 p.c.
45130-1	Slide, hookless, or zipper fasteners .....	27½ p.c.	22½ p.c.
45300-1	Metal parts when imported by manufacturers of covered buttons for use exclusively in the manufacture of covered buttons, in their own factories, under regulations prescribed by the Minister .....	22½ p.c.	20 p.c.



- 74 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
46105-1	Safes including doors; doors and door frames for vaults; scales, balances and weighing beams of all kinds, n.o.p. ....	20 p.c.	17½ p.c.
46205-1	Cameras, n.o.p., of a class or kind made in Canada; complete parts thereof .....	20 p.c.	15 p.c.
46230-1	Parts, unfinished, for use in the manufacture of cameras .....	5 p.c.	Free
46505-1	Radioisotope activated light sources and signs or indicating markers of material other than paper with radioisotope activated light source .....	17½ p.c.	7½ p.c.
46510-1	Radioisotope activated self-luminous standards for calibration purposes .....	10 p.c.	7½ p.c.
46700-1	Window shade or blind rollers ...	22½ p.c.	20 p.c.
46800-1	Animal cages of wire and metal parts thereof .....	22½ p.c.	17½ p.c.
47000-1	Patterns of iron, steel, brass or other metal, not being models...	22½ p.c.	17½ p.c.
47100-1	Belt pulleys of all kinds, n.o.p., for power transmission .....	22½ p.c.	15 p.c.
47105-1	Pressed steel belt pulleys for power transmission, and finished or unfinished parts thereof, including interchangeable bushings .....	20 p.c.	15 p.c.
48900-1	Crucibles of platinum, rhodium and iridium, and covers therefor	Free ) 15 p.c.)	Free

- 75 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
49400-1	Manufactures of corkwood or cork bark, n.o.p., including strips, shives, shells and washers of cork .....	10 p.c.	Free
49500-1	Corks, manufactured from corkwood, over three-fourths of an inch in diameter measured at the larger end ..... per pound	2 cts.	Free
49600-1	Corks, manufactured from corkwood, three-fourths of an inch and less in diameter measured at the larger end ..... per pound	2 cts.	Free
50000-1	Logs, poles, sticks, roots, posts, piles and railway ties of wood..		Free
50005-1	Firewood, wood waste, fuel made from wood waste with or without a binder, saw dust of wood and wood chips .....		Free
50010-1	Blocks and bolts of wood, not further manufactured than rough shaped by boring, hewing or sawing .....		Free
50015-1	Shingles, lath and treenails of wood .....		Free
50020-1	Fence pickets, palings and rails of wood, whether or not assembled into fence sections...		Free
50025-1	Staves, hoops and heading of wood for use in the manufacture of barrels or kegs .....		Free
50075-1	Lumber, lumber and buildings of wood, n.o.p. ....		10 p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
50030-1	Dowel rods and pins of wood, not sanded, grooved or otherwise further manufactured .....		Free
50035-1	Wooden handles or stems for handles for axes, spades, hand shovels, hand hoes, hand rakes, and hand forks, not further manufactured than turned; scale board for cheese; Mexican saddle trees and stirrups of wood; felloes of hickory or oak; wooden spokes and wooden last blocks, not further manufactured than turned .....		Free
50040-1	Timber or lumber of wood of any species, not further manufactured than sawn .....		Free
50045-1	Timber or lumber of wood of any species, further manufactured than sawn but not further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder ....		Free
50050-1	Timber or lumber of softwood (the wood of any coniferous species of tree), drilled but not otherwise further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder.....		Free

- 77 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
50055-1	Edge-glued or end-glued rectangular wood not over six feet in length or over fifteen inches in width, not drilled and not further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder .....		Free
50060-1	Timber or lumber of hardwood (the wood of any deciduous species of tree), drilled but not otherwise further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder .....		5 p.c.
50065-1	Floor tiles made of individual strips of wood joined together.	12½ p.c.	7½ p.c.
50066-1	Flooring of oak, tongued, grooved or jointed, whether drilled or not .....	12½ p.c.	7½ p.c.
50068-1	Flooring of wood, n.o.p., tongued, grooved or jointed, whether drilled or not .....		Free
50070-1	Timber or lumber of wood of any species, whether or not drilled, but otherwise not further manufactured than surface-sanded or otherwise surface processed, or dimensionally stabilized, n.o.p.		5 p.c.
50075-1	Timber, lumber and mouldings of wood, n.o.p. ....		10 p.c.





- 79 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
50600-1	Manufactures of wood, n.o.p. ....	20 p.c.	15 p.c.
50600-4	Hockey sticks .....	17½ p.c.	5 p.c.
50610-1	Wooden doors of a height and width not less than 6 feet and 2 feet, respectively .....	22½ p.c.	15 p.c.
50705-1	Single-ply, sliced or rotary-cut veneers of wood, n.o.p., not over five-sixteenths of an inch in thickness, not taped nor jointed .....	12½ p.c.	7½ p.c.
50710-1	Veneers of wood of any kind, not over five-sixteenths of an inch in thickness, taped or jointed..	20 p.c.	10 p.c.
50715-1	Plywood .....	20 p.c.	15 p.c.
50720-1	Veneers, viz.:- Australian blackwood, walnut, silky oak, silkwood, blackbean, maple, Tasmanian myrtle, and eucalyptii, single-ply and not over three thirty-seconds of an inch in thickness .....	12½ p.c.	7½ p.c.
50725-1	Plywood faced with metal on one or both sides .....	20 p.c.	15 p.c.
50900-1	Vulcanized fibre, kartavert, indurated fibre, and like material, and manufactures of, n.o.p. ....	17½ p.c.	15 p.c.



SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
51100-1	Walking sticks and walking canes of all kinds; golf clubs and finished parts thereof; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics, n.o.p. ....	30 p.c. ) 25 p.c. ) 20 p.c. )	20 p.c.
51105-1	Cricket bats, balls, gloves and leg guards .....	30 p.c.	20 p.c.
51120-1	Ski poles .....	20 p.c.	17½ p.c.
51200-1	Picture frames and photograph frames, of any material .....	20 p.c.	15 p.c.
51300-1	Window cornices and cornice poles of all kinds .....	25 p.c.	15 p.c.
51400-1	Coffins and caskets, and metal parts thereof .....	22½ p.c.	20 p.c.
51500-1	Show-cases, of all kinds, and metal parts thereof .....	25 p.c.	20 p.c.
51600-1	Blinds of wood, metal or other material, not textile or paper..	30 p.c.	20 p.c.
51700-1	Wire screens, wire doors and wire windows .....	25 p.c.	17½ p.c.
51800-1	Bagatelle and other game tables or boards .....	22½ p.c.	20 p.c.
51805-1	Billiard tables, with or without pockets; cues, balls, cue-racks and cue-tips .....	30 p.c.	20 p.c.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	House, office, cabinet or store furniture of wood, iron or other material, and parts thereof, not to include forgings, castings, and stampings of metal, in the rough:-		
51901-1	Other than the following .....	25 p.c.	20 p.c.
51902-1	In chief part by value of metal	25 p.c.	17½ p.c.



- 82 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
52010-1	Cotton fibres, n.o.p., and carded sliver, wholly of cotton .....	10 p.c.	5 p.c.
	Yarns and rovings, including threads, cords and twines, wholly of cotton:		
52107-1	Other, n.o.p. ....	20 p.c.	17½ p.c.
	Woven fabrics, wholly of cotton:		
52201-1	Not bleached, mercerized nor coloured, n.o.p. ....	20 p.c.	17½ p.c.
52202-1	Bleached or mercerized, not coloured, n.o.p. ....	22½ p.c.	20 p.c.
52203-1	Coloured, n.o.p. ....	22½ p.c.	20 p.c.
52204-1	Composed of yarns of counts of one hundred or more, including all such fabrics in which the average of the count of warp and weft yarns is one hundred or more, not including labels or name-tapes .....	25 p.c.	20 p.c.
52205-1	With cut pile .....	25 p.c.	20 p.c.
52208-1	Not coloured, for use in the manufacture of ribbons for typewriters, calculators, or other office appliances .....	12½ p.c.	10 p.c.

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
52305-1	Clothing, wearing apparel and other articles, made from woven fabrics wholly of cotton; all textile manufactures, wholly or partially manufactured, the component fibre of which is wholly cotton, n.o.p. ....	25 p.c.	22½ p.c.
52310-1	Handkerchiefs, wholly of cotton	27½ p.c.	22½ p.c.
52500-1	Woven fabrics, wholly of cotton, specially treated and glazed, when imported by rubber manufacturers for use, in their own factories, exclusively as a detachable protective covering for uncured rubber sheeting .....	27½ p.c.	22½ p.c.
52800-1	White cotton bobbinet, plain, in the web .....	12½ p.c.	10 p.c.
53010-1	Slivers, wholly or in part of wool, not containing man-made fibres or glass fibres .....	10 cts.	5 cts.
53020-1	Hair, curled or dyed, n.o.p. ..	15 p.c.	7½ p.c.
53105-1	Rovings and yarns, fifty per cent or more, by weight, of hair .....	10 p.c.	7½ p.c.
53110-1	Rovings and yarns, wholly or in part of wool, or in part of hair, n.o.p. .... and, per pound	12½ p.c. 17 cts.	10 p.c. 10 cts.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
53115-1	Rovings and yarns, wholly or in part of wool or hair, in measured skeins or balls ..... and, per pound	12½ p.c. 20 cts.	10 p.c. 15 cts.
53120-1	Yarns and warps, spun on the worsted system, composed wholly of wool or in part of wool or hair, imported by manufacturers for use in their own factories in the manufacture of woven fabrics in chief part by weight of wool or hair and not exceeding six ounces to the square yard, when in the gray or unfinished condition, under such regulations as may be prescribed by the Minister.. and, per pound	15 p.c. 15 cts.	10 p.c. 10 cts.
53205-1	Woven fabrics composed wholly or in part of yarns of wool or hair, n.o.p. .... and, per pound	27½ p.c. 38 cts.	25 p.c. 25 cts.
53210-1	Woven fabrics composed wholly or in part of yarns of wool or hair and weighing not less than twelve ounces to the square yard ..... and, per pound	27½ p.c. 33 cts.	25 p.c. 25 cts.
53215-1	Woven fabrics composed wholly or in chief part by weight of yarns of wool or hair and weighing not more than nine ounces to the square yard, n.o.p. .... and, per pound	27½ p.c. 38 cts.	25 p.c. 25 cts.
	The total duty leviable shall not be in excess of ..... per pound	\$1.10	\$1.10

- 85 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
53220-1	Woven fabrics, composed wholly or in chief part by weight of yarns of wool or hair, not exceeding in weight four ounces to the square yard, when imported in the gray or unfinished condition, for the purpose of being dyed or finished in Canada ..... and, per pound	20 p.c. 15 cts.	20 p.c.
53225-1	Woven fabrics composed wholly or in part of yarns of wool, imported in the web in lengths of not less than five yards each, for use exclusively in the manufacture of neckties, scarves or mufflers, but not including such fabrics for use as interlining .....  In the case of such fabrics weighing not more than nine ounces to the square yard, the total duty leviable shall not be in excess of ..... ..... per pound	15 p.c.  \$1.10	10 p.c.  \$1.10
53230-1	Woven billiard cloth composed wholly or in part of wool or hair; melton cloth for use in the manufacture of tennis balls ..... and, per pound	20 p.c. 25 cts.	20 p.c.
53235-1	Haircloth, composed of horse-hair in combination with any vegetable fibre .....	27½ p.c.	20 p.c.



SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
53305-1	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of wool or hair, when the textile component thereof is not more than fifty per cent, by weight, of silk, n.o.p. ....	27½ p.c.	25 p.c.
53310-1	Felt, pressed, in the web, wholly or in part of wool, not consisting of or in combination with any woven, knitted or other fabric or material .. and, per pound	17½ p.c. 12½ cts.	17½ p.c.
53405-1	Household blankets of any material except wholly of cotton ..... and, per pound	20 p.c. 15 cts.	25 p.c.
53410-1	Automobile rugs, steamer rugs, travel rugs and similar articles of any material except wholly of cotton ..... and, per pound  The total duty leviable shall not be in excess of .....	20 p.c. 15 cts.  37½ p.c.	25 p.c.
54010-1	Grasses, seaweed, mosses and vegetable fibres other than cotton, n.o.p.; bagasse of sugar cane, whether or not dried, cleaned, cut to size, ground or sifted .....	10 p.c.	Free

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Yarns and rovings, including threads, cords and twines, wholly or in part of vegetable fibres, n.o.p., not containing silk, wool or hair, man-made fibres or filaments nor glass fibres or filaments:		
54105-1	Linen thread for hand or machine sewing .....	17½ p.c.	10 p.c.
54107-1	Singles, n.o.p. ....	17½ p.c.	15 p.c.
54120-1	Cordage, exceeding one inch in circumference, wholly of vegetable fibres, n.o.p. ....	22½ p.c.	20 p.c.
54125-1	Cordage, exceeding one inch in circumference, n.o.p. ....	22½ p.c.	20 p.c.
54205-1	Woven fabrics, wholly or in part of vegetable fibres, and all such fabrics with cut pile, n.o.p., not containing silk, wool or hair, man-made fibres or filaments nor glass fibres or filaments .....	22½ p.c.	20 p.c.
54210-1	Woven fabrics, wholly of jute..	5 cts. per 100 lineal yards	Free
	Woven fabrics, in the web, wholly of flax or hemp:		
54215-1	Towelling and glass-cloth of crash or huck; table-cloth and napkin fabrics of crash	22½ p.c.	20 p.c.
54216-1	Other .....	22½ p.c.	20 p.c.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
54305-1	Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of vegetable fibres, n.o.p., when the textile component is not more than fifty per cent, by weight, of silk nor fifty per cent or more, by weight, of man-made fibres or filaments or glass fibres or filaments, not containing wool or hair .....	25 p.c.	22½ p.c.
54310-1	Towels and glass-cloths of crash or huck, table-cloths and napkins of crash, wholly or in part of flax or hemp, not containing more than fifty per cent, by weight, of silk nor fifty per cent or more, by weight, of man-made fibres or filaments or glass fibres or filaments, nor wool or hair .....	22½ p.c.	20 p.c.
54315-1	Articles made from woven fabrics wholly of jute and all textile manufactures, wholly or partially manufactured, the textile component of which is wholly of jute, n.o.p.; jute fabric backed with paper .....	22½ p.c.	20 p.c.
54320-1	Sheets, pillow-cases, bedspreads, dresser-scarves, doilies, tray-cloths, table-cloths, napkins, towels, glass-cloths and handkerchiefs, wholly of flax or hemp, but not to include towels or glass-cloths of crash or huck, nor table-cloths and napkins of crash .....	22½ p.c.	20 p.c.

(cont'd)

- 89 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Hemming, hemstitching or embroidering with cotton thread of the foregoing articles, or the weaving of cotton thread in the borders of the handkerchiefs, will not remove such goods from this item.		
54325-1	Bags or sacks of jute, hemp, linen or sisal .....	15 p.c.	12½ p.c.
55106-1	Yarns and rovings, wholly of silk, degummed or not: Not further advanced than thrown or spun .....	7½ p.c.	5 p.c.
55107-1	N.o.p., including threads, cords or twines .....	20 p.c.	15 p.c.
55110-1	Yarns and rovings of silk and vegetable fibres .....	20 p.c.	15 p.c.
55205-1	Woven fabrics, more than fifty per cent, by weight, of silk, not containing wool or hair ...	22½ p.c.	20 p.c.
55210-1	Woven fabrics of silk and vegetable fibres, n.o.p. ....	22½ p.c.	20 p.c.
55301-1	The following, when the textile component thereof is more than fifty per cent, by weight, of silk: Handkerchiefs, made from woven fabric .....	22½ p.c.	20 p.c.



- 90 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
55302-1	Headsquares, scarves or mufflers, made from woven fabrics .....	22½ p.c.	20 p.c.
55303-1	Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured .....	30 p.c.	25 p.c.
55910-1	Waste portions of unused fabrics, n.o.p., not to include remnants or mill ends ..	10 p.c.	5 p.c.
55920-1	Garnetted material, obtained by disintegrating yarns or fabrics, n.o.p. ....	10 p.c.	5 p.c.
55930-1	Washed wiping rags, trimmed or untrimmed; machined wiping wastes or machined journal-box packing wastes .....	10 p.c.	5 p.c.
55935-1	Batts, batting and wadding of wool, cotton or other textile fibre, n.o.p. ....	17½ p.c.	15 p.c.
56005-1	Man-made fibres or glass fibres, not exceeding twelve inches in length .....	12½ p.c.	10 p.c.
56010-1	Sliver, wholly or in part of man-made fibres or of glass fibres .....	12½ p.c.	10 p.c.
56015-1	Man-made filaments or glass filaments imported for converting into lengths not exceeding twelve inches, for use in the manufacture of textile yarns or flock .....	12½ p.c.	10 p.c.

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
56025-1	Man-made filaments imported for use in the manufacture of cigarette filter tips .....	12½ p.c.	10 p.c.
56105-1	Yarns and rovings, wholly of man-made fibres or filaments or of glass fibres or filaments, not more advanced than singles, not coloured, with not more than seven turns to the inch .. but not less than, per pound and, per pound	22½ p.c. 22 cts.	10 p.c. 10 cts.
56110-1	Yarns and rovings, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, including threads, cords or twines, not containing wool or hair .. but not less than, per pound and, per pound	22½ p.c. 22 cts.	10 p.c. 10 cts.
56120-1	Yarns and rovings, including threads, cords or twines, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, for use in the manufacture of fabrics for conveyor or transmission belts or belting containing rubber .....	22½ p.c.	20 p.c.
56205-1	Woven fabrics, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair, not including fabrics more than fifty per cent, by weight, of silk:  Exceeding twelve inches in width .....	30 p.c. 20 cts.	25 p.c. 15 cts.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
56206-1	<p>Not exceeding twelve inches in width .....</p> <p>Woven fabrics containing five per cent or less, by weight, of man-made fibres or filaments or of glass fibres or filaments shall not be dutiable under items 56205-1 and 56206-1 but shall be dutiable as though composed wholly of the remaining constituents.</p>	27½ p.c.	25 p.c.
56210-1	Woven fabrics with cut pile, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair .....	30 p.c.	25 p.c.
56225-1	Woven fabrics, wholly or in part of silk or of man-made fibres or filaments, imported in lengths of not less than five yards, by manufacturers of neckties, for use in the manu- facture of neckties, but not including such fabrics for use as interlining .....	15 p.c.	10 p.c.
56230-1	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or fila- ments, not to contain silk or wool, for use in the manu- facture of pneumatic tires, n.o.p. .... and, per pound	7½ p.c. 7½ cts.	12½ p.c.

- 93 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
56235-1	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or filaments, not to contain silk or wool, coated with a rubber composition, when imported by manufacturers of rubber tires, to be incorporated by them in pneumatic tires, in their own factories .....	15 p.c.	12½ p.c.
56240-1	Woven fabrics, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, whether or not coated or impregnated, when imported by manufacturers of conveyor or transmission belts or belting containing rubber, for use in the manufacture of such belts or belting .....	27½ p.c.	25 p.c.
56300-1	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, the textile component of which is fifty per cent or more, by weight, of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair .....	27½ p.c.	25 p.c.
56500-1	Sarīs of any material .....	22½ p.c.	15 p.c.
56510-1	Braids of all kinds, n.o.p. ...	25 p.c.	22½ p.c.
56515-1	Linen fire-hose, lined or unlined, with or without attached couplings .....	30 p.c.	25 p.c.



- 94 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
56200-1	Seamless woven textile jackets, in tubular form, for use in the manufacture of fire-hose; fire-hose made from such jackets, with or without attached couplings:		
56520-1	The textile component of which is wholly cotton .....	22½ p.c.	20 p.c.
56521-1	The textile component of which is other than wholly cotton ..	27½ p.c.	25 p.c.
	Lace and netting, other than woven, bobbinet, embroideries, n.o.p.:		
56611-1	Wholly or in part of other textile fibres or filaments ..	22½ p.c.	20 p.c.
56700-1	Sails for boats and ships; textile fabrics, in the web or with fused edges, for use in the manufacture of such sails ..	22½ p.c.	20 p.c.
56805-1	Knitted garments, knitted fabrics and knitted goods, n.o.p. ....	35 p.c.	27½ p.c.
56810-1	Knitted garments, women's and girls', wholly or in chief part by weight of wool or hair, valued at not less than \$9.00 per pound .....	32½ p.c.	27½ p.c.
	Socks and stockings:		
56820-1	Wholly or in chief part, by weight, of wool .....	27½ p.c.	20 p.c.
	and, per dozen pairs	\$1.20	60 cts.

- 95 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
56821-1	N.o.p. .... and, per dozen pairs	17½ p.c. 75 cts.	17½ p.c. 40 cts.
56905-1	Hats, hoods and shapes of fur felt or of wool-and-fur felt ..	22½ p.c.	20 p.c.
56910-1	Hoods and shapes, caps, bonnets and berets, n.o.p. ....	30 p.c.	25 p.c.
56915-1	Hats, n.o.p. .... and, per dozen	25 p.c. \$1.00	25 p.c.
57000-1	Mats, door or carriage, other than metal, n.o.p. ....	30 p.c.	25 p.c.
57010-1	Carpeting, rugs, mats and matting of paper; stair pads ..	22½ p.c.	20 p.c.
57015-1	Carpeting, rugs, mats and matting of sisal, palm straw or cane straw .....	17½ p.c.	10 p.c.
57105-1	Mats with cut pile, of cocoa fibre ..... per square foot	2¾ cts.	Free
57110-1	Mats, rugs, carpeting and matting of cocoa fibre, n.o.p. ..... per square yard	7 cts.	Free
57200-1	Oriental and imitation Oriental rugs or carpets and carpeting, carpets and rugs, n.o.p. .... and, per square foot	25 p.c. 5 cts.	20 p.c. 5 cts.
57205-1	Carpets of sisal, palm straw or cane straw .....	17½ p.c.	10 p.c.



## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
57210-1	Oriental rugs or carpets with pile knotted by hand ..... and, per square foot	25 p.c. 5 cts.	15 p.c. 5 cts.
57300-1	Enamelled carriage, shelf and table oilcloth, and cork matting or carpets .....	27½ p.c.	20 p.c.
57305-1	Linoleum; felt base floor covering not including such materials in which are incorporated synthetic resin sheets or cellulose plastic sheets ...	25 p.c.	20 p.c.
	Coated or impregnated fabrics, containing textile fabric, produced by any method, including lamination, if the weight of the textile fabric is less than two-thirds of the weight of the coated or impregnated fabric:		
57401-1	The textile fabric being wholly or in part of man-made fibres or filaments or of glass fibres or filaments .....	32½ p.c.	27½ p.c.
57402-1	The textile fabric not being wholly or in part of man-made fibres or filaments or of glass fibres or filaments ....	25 p.c.	22½ p.c.
57410-1	Canvas in the web, wholly of flax or hemp, or both, plain woven, coloured or not, treated with weather-proofing or preservative materials, weighing more than six ounces per square yard, when the weight of the untreated fabric is two-thirds or more of the weight of the treated fabric .....	22½ p.c.	20 p.c.

SCHEDULE V - (CANADA)

PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
57600-1	Window shades, mounted on rollers .....	30 p.c.	25 p.c.
57800-1	Regalia, badges and belts of all kinds, n.o.p. ....	27½ p.c.	20 p.c.
	Buffing and polishing wheels or discs;		
57901-1	The component of chief value being cotton .....	25 p.c.	20 p.c.
58000-1	Hair, spring and other mattresses .....	25 p.c.	20 p.c.



## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
58800-1	Coal, n.o.p., including screenings and coal dust of all kinds ..... per ton	50 cts.	Free
58805-1	Gas for heating, cooking or illuminating, imported by pipe line, per one thousand cubic feet .....	3 cts.	Free
59705-1	Pianofortes and organs, n.o.p.	22½ p.c.	20 p.c.
59705-2	Electric organs .....	22½ p.c.	17½ p.c.
59720-1	Parts of pianofortes and parts of organs, n.o.p. ....	20 p.c.	15 p.c.
59725-1	Musical instruments of all kinds, n.o.p. ....	17½ p.c.	15 p.c.
59735-1	Mechanical piano and organ players .....	20 p.c.	15 p.c.
59745-1	Accordions .....	2½ p.c.	Free
59805-1	Brass band instruments, of a class or kind not made in Canada .....	17½ p.c.	15 p.c.
59810-1	Brass band instruments, n.o.p.	20 p.c.	15 p.c.
59815-1	Bagpipes and complete parts thereof .....	25 p.c.	15 p.c.
59820-1	Parts for use in the manufacture of brass band instruments	17½ p.c.	7½ p.c.
60300-1	Fur skins wholly or partially dressed, n.o.p. ....	12½ p.c.	10 p.c.

- 99 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
60405-2	Patent leather .....	17½ p.c.	10 p.c.
60410-1	Sheepskin or lambskin leather, further finished than tanned, n.o.p. ....	22½ p.c.	17½ p.c.
60425-1	Sole leather .....	22½ p.c.	17½ p.c.
60505-1	Leather produced from East India tanned kip, uncoloured or coloured other than black, when imported for use exclusively in lining boots and shoes .....	15 p.c.	10 p.c.
60515-1	Genuine pig leathers, n.o.p., and genuine Morocco leathers; so-called roller leathers .....	20 p.c.	17½ p.c.
60600-1	Leather produced from East India tanned kip, n.o.p. .... and, per square foot	25 p.c. 2 cts.	20 p.c.
60705-1	Leather, consisting of beef-cattle hides, horse-hides or sheepskins, but not including suedes, Cabrettas, Spanish capes or African capes, when imported by manufacturers of gloves or leather clothing, for use exclusively in manufacturing gloves or leather clothing in their own factories .....	15 p.c.	10 p.c.
60710-1	Leather, not further finished than tanned, in whole hides, in grains, or splits, when imported by manufacturers of upholstering leathers, for use exclusively in the manufacture of upholstering leathers, in their own factories .....	15 p.c.	10 p.c.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
60800-1	Leather not further finished than tanned, and skins, n.o.p.	15 p.c.	12½ p.c.
61100-1	Boots and shoes, pegged or wire fastened, with unstitched soles close edged .....	25 p.c.	22½ p.c.
61105-1	Boots, shoes, slippers and in-soles of any materials, n.o.p.	27½ p.c.	25 p.c.
61110-1	Canvas shoes with rubber soles	27½ p.c.	25 p.c.
61120-1	Leather garments, lined or unlined .....	27½ p.c.	22½ p.c.
61205-1	English type saddles .....	25 p.c.	20 p.c.
61300-1	Manufactures of leather, including manufactures of rawhide, n.o.p. ....	22½ p.c.	17½ p.c.
61400-1	Leather-board, leatheroid, and manufactures thereof, n.o.p. ..	22½ p.c.	20 p.c.
61500-1	Whips of all kinds, including thongs and lashes .....	22½ p.c.	20 p.c.
61605-1	Rubber, crude, caoutchouc or India-rubber, unmanufactured, n.o.p. ....	5 p.c.	2½ p.c.
61630-1	Balata, crude, unmanufactured ..	10 p.c.	2½ p.c.
61635-1	Gutta percha, unmanufactured ..	10 p.c.	2½ p.c.
61700-1	Rubber boots and shoes .....	22½ p.c.	20 p.c.

- 101 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
61800-1	Rubber cement and all manufactures of rubber and gutta percha, n.o.p. ....	20 p.c.	17½ p.c.
61815-1	Tires and tubes, wholly or in part of rubber .....	22½ p.c.	17½ p.c.
61905-1	Rubber clothing and clothing made from waterproofed cotton fabrics .....	27½ p.c.	22½ p.c.
62200-1	Trunks, valises, hat boxes, carpet bags, tool bags, and baskets of all kinds, n.o.p. .	22½ p.c.	20 p.c.
62300-1	Musical instrument cases and fancy cases or boxes of all kinds, portfolios and fancy writing desks, satchels, reticules, card cases, purses, pocket-books, fly books and parts thereof .....	22½ p.c.	20 p.c.
62405-1	Dolls .....	25 p.c.	20 p.c.
62410-1	Toys of all kinds, n.o.p. ....	30 p.c.) 25 p.c.)	20 p.c.
62415-1	Mechanical toys of metal .....	25 p.c.	20 p.c.
	Juvenile construction sets of metal or rubber, consisting of various stampings, punched or moulded, and connections therefor; parts of the foregoing:-		
62420-1	Of metal .....	25 p.c.	20 p.c.



- 102 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
62500-1	Caps, hats, muffs, tippets, capes, coats and cloaks of fur, and other manufactures of fur, n.o.p. ....	25 p.c.	22½ p.c.
62800-1	Braces or suspenders, and finished parts thereof .....	22½ p.c.	20 p.c.
62900-1	Umbrellas, parasols and sunshades of all kinds and materials .....	25 p.c.	20 p.c.
63300-1	Feathers, in their natural state	10 p.c.	5 p.c.
63400-1	Feathers and manufactures of feathers, n.o.p.; artificial feathers, fruits, grains, leaves and flowers suitable for ornamenting hats .....	22½ p.c.	20 p.c.
64700-1	Jewellery of any material, for the adornment of the person, n.o.p. ....	30 p.c.	25 p.c.
64800-2	Precious or semi-precious stones and imitations thereof, not mounted or set; pearls, pierced, split, strung or not, but not mounted or set .....	10 p.c.) 7½ p.c.) 20 p.c.)	Free
65100-1	Buttons of all kinds, covered or not, and button blanks other than in the rough, n.o.p.; recognition buttons and cuff or collar buttons .....	25 p.c. 5 cts.	20 p.c. 5 cts.
65105-1	Buttons, and button blanks other than in the rough, of vegetable ivory .....	25 p.c. 10 cts.	20 p.c. 5 cts.

- 103 -

SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
65200-1	Toilet or dressing combs, n.o.p.; fancy combs, not being jewellery ..... but not less than, per gross	20 p.c. \$1.44	20 p.c.
65300-1	Brushes of all kinds, n.o.p. ..	25 p.c.	20 p.c.
65500-1	Pens, n.o.p., penholders and rulers, of all kinds .....	22½ p.c.	20 p.c.
65505-1	Lead pencils and crayons, n.o.p.	27½ p.c.	20 p.c.
65610-1	Cigar and cigarette holders ...	25 p.c.	20 p.c.
65615-1	Cases for cigar and cigarette holders, cigar and cigarette cases, smokers' sets and cases therefor, and tobacco pipe mounts .....	22½ p.c.	20 p.c.
65620-1	Tobacco pouches .....	25 p.c.	20 p.c.
66325-1	Sea-weeds or sea-plants, charred, whether powdered or not, for use exclusively in the feeding of animals .....	15 p.c.	Free
66330-1	Iodized mineral salts, for use in the feeding of animals ....	10 p.c.	5 p.c.
66335-1	Fish meal .....	20 p.c.	10 p.c.
66340-1	Oyster shells, not further manufactured than crushed or screened, or both, for use as poultry feeds or in the manufacture of poultry feeds .....	10 p.c.	5 p.c.



SCHEDULE V - (CANADA)PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
66500-1	Torpedoes, fire-crackers and fire-works of all kinds .....	22½ p.c.	20 p.c.
66505-1	Fuse, not metallic .....	25 p.c.	20 p.c.
67000-1	Grinding wheels, stones or blocks, manufactured by the bonding together of either natural or artificial abra- sives; manufactures of emery or of artificial abrasives, n.o.p. ....	20 p.c.	17½ p.c.
68300-1	Barytes .....	20 p.c.	10 p.c.
68905-1	Mineral wool .....	25 p.c.	20 p.c.
71100-1	<p>All goods not enumerated in this schedule as subject to any other rate of duty, and not otherwise declared free of duty, and not being goods the importation whereof is by law prohibited .....</p> <p>Duty shall not be deemed to be provided for by this item upon dutiable goods mentioned as "n.o.p." in any other tariff item.</p> <p>When the component material of chief value in any non- enumerated article consists of dutiable material enumerated in this schedule as bearing a higher rate of duty than is specified in this tariff item, such non-enumerated article shall be subject to the highest duty that would be chargeable thereon if it were</p>	20 p.c.	17½ p.c.

- 105 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
71100-1 (cont'd)	composed wholly of the component material thereof of chief value, such "component material of chief value" being that component material which exceeds in value any other single component material in its condition as found in the article.		
71100-11	Beverages consisting of aqueous extracts of dried prunes .....	10 p.c.	5 p.c.
71100-13	Prepared foods, whether canned or not, for cats and dogs ....	20 p.c.) 15 p.c.)	7½ p.c.
71100-17	Expanded perlite, ground, for use in filtering .....	20 p.c.	10 p.c.
92501-1	Common salt (including rock salt, sea salt and table salt); pure sodium chloride, salt liquors; sea water: Other than the following .....	3½ cts./) 100 lbs.) 3 cts./) 100 lbs.)	Free
92501-2	Salt for the use of the sea or gulf fisheries .....	Free	Free
92501-3	Table salt made by an admixture of other ingredients, when containing not less than ninety per cent of pure salt	10 p.c.	5 p.c.
92501-4	Salt liquors and sea water ...		Free



- 106 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92801	Halogens (fluorine, chlorine, bromine and iodine) .....		15 p.c.
92802-1	Sulphur, sublimed or precipitated; colloidal sulphur .....		15 p.c.
92804	Hydrogen, rare gases and other non-metals .....		15 p.c.
92805	Alkali, alkaline-earth and rare earth metals; yttrium and scandium; mercury .....		15 p.c.
92806	Hydrochloric acid, including anhydrous hydrogen chloride, and chlorosulphonic acid .....		15 p.c.
92807-1	Sulphur dioxide .....		15 p.c.
92808-1	Sulphuric acid; oleum .....		15 p.c.
92809-1	Nitric acid; sulphonitric acids..		15 p.c.
92811	Arsenic trioxide, arsenic pent- oxide and acids of arsenic .....		15 p.c.
92812	Boric oxide and boric acid .....		15 p.c.
92813	Other inorganic acids and oxygen compounds of non-metals (excluding water) .....		15 p.c.
92814	Halides, oxyhalides and other halogen compounds of non-metals..		15 p.c.
92815	Sulphides of non-metals; phosphorus trisulphide .....		15 p.c.

- 107 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92817	Sodium hydroxide (caustic soda); potassium hydroxide (caustic potash); peroxides of sodium or potassium .....		15 p.c.
92818	Oxides, hydroxides and peroxides, of strontium or barium; hydroxides and peroxides of magnesium; oxides of magnesium, howsoever produced, not less than 94 per cent pure .....		15 p.c.
92819-1	Zinc oxide and zinc peroxide ....		15 p.c.
92821	Chromium oxides and hydroxides ..		15 p.c.
92822-1	Manganese oxides .....		15 p.c.
92823	Iron oxides and hydroxides; earth colours containing 70% or more by weight of combined iron evaluated as $Fe_2O_3$ .....		15 p.c.
92824	Cobalt oxides and cobalt hydroxides .....		15 p.c.
92825-1	Titanium oxides .....		15 p.c.
92826-1	Tin oxides (stannous oxide and stannic oxide) .....		15 p.c.
92827	Lead oxides; red lead and orange lead .....		15 p.c.
92828	Hydrazine and hydroxylamine and their inorganic salts; other inorganic bases and metallic oxides, hydroxides and peroxides .....		15 p.c.



- 108 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92829	Fluorides; fluorosilicates, fluoroborates and other complex fluorine salts .....		15 p.c.
92830	Chlorides and oxychlorides .....		15 p.c.
92831	Chlorites and hypochlorites .....		15 p.c.
92832	Chlorates and perchlorates .....		15 p.c.
92833	Bromides, oxybromides, bromates and perbromates, and hypobro- mites .....		15 p.c.
92834	Iodides, oxyiodides, iodates and periodates .....		15 p.c.
92835	Sulphides; polysulphides .....		15 p.c.
92836	Dithionites, including those stabilized with organic sub- stances; sulfoxylates .....		15 p.c.
92837	Sulphites and thiosulphates .....		15 p.c.
92838	Sulphates (including alums) and persulphates .....		15 p.c.
92839	Nitrites and nitrates .....		15 p.c.
92840	Phosphites, hypophosphites and phosphates .....		15 p.c.
92841	Arsenites and arsenates .....		15 p.c.
92842	Carbonates and percarbonates; commercial ammonium carbonate containing ammonium carbamate ..		15 p.c.

- 109 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92843	Cyanides and complex cyanides ...		15 p.c.
92844-1	Fulminates, cyanates and thio-cyanates .....		15 p.c.
92845	Silicates; commercial sodium and potassium silicates .....		15 p.c.
92846	Borates and perborates .....		15 p.c.
92847	Salts of metallic acids (for example, chromates, permanganates, stannates) .....		15 p.c.
92848	Other salts and peroxy salts of inorganic acids, but not including azides .....		15 p.c.
92849	Colloidal precious metals; amalgams of precious metals; salts and other compounds, inorganic or organic, of precious metals, including albuminates, proteinate, tannates and similar compounds, whether or not chemically defined .....		15 p.c.
92850-1	Fissile chemical elements and isotopes; other radio-active chemical elements and radio-active isotopes; compounds, inorganic or organic, of such elements or isotopes, whether or not chemically defined; alloys, dispersions and cermets, containing any of these elements, isotopes or compounds .....		15 p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92851-1	Isotopes and their compounds, inorganic or organic, whether or not chemically defined, other than isotopes and compounds falling within Tariff Item 92850-1 .....		15 p.c.
92852	Compounds, inorganic or organic, of thorium, of uranium depleted in U 235, of rare earth metals, of yttrium or of scandium, whether or not mixed together ..		15 p.c.
92853-1	Liquid air (whether or not rare gases have been removed); compressed air .....		15 p.c.
92855	Phosphides .....		15 p.c.
92856	Carbides (for example silicon carbide, boron carbide, metallic carbides) .....		15 p.c.
92857	Hydrides, nitrides and azides, silicides and borides .....		15 p.c.
92858	Other inorganic compounds (including distilled and conductivity water and water of similar purity); amalgams, except amalgams of precious metals .....		15 p.c.
92901	Hydrocarbons .....		15 p.c.
92902	Halogenated derivatives of hydrocarbons .....		15 p.c.
92903	Sulphonated, nitrated or nitrated derivatives of hydrocarbons		15 p.c.

- 111 -

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92904	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92905	Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92906	Phenols and phenol-alcohols ....		15 p.c.
92907	Halogenated, sulphonated, nitrated or nitrosated derivatives of phenols or phenol-alcohols .....		15 p.c.
92908	Ethers, ether-alcohols, ether-phenols, ether-alcohol-phenols, alcohol peroxides and ether peroxides, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92909	Epoxides, epoxyalcohols, epoxy-phenols and epoxyethers, with a three or four member ring, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92910	Acetals and hemiacetals and single or complex oxygen-function acetals and hemiacetals, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92911	Aldehydes, aldehyde-alcohols, aldehyde-ethers, aldehyde-phenols and other single or complex oxygen-function aldehydes .....		15 p.c.



## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92912-1	Halogenated, sulphonated, nitrated or nitrosated derivatives of products falling within Tariff Item No. 92911.....		15 p.c.
92913	Ketones, ketone-alcohols, ketone-phenols, ketone-aldehydes, quinones, quinone-alcohols, quinone-phenols, quinone-aldehydes and other single or complex oxygen-function ketones and quinones, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92914	Monoacids and their anhydrides, acid halides, acid peroxides and peracids, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92915	Polyacids and their anhydrides, acid halides, acid peroxides and peracids, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92916	Alcohol-acids, aldehyde-acids, ketone-acids, phenol-acids and other single or complex oxygen-function acids, and their anhydrides, acid halides, acid peroxides and peracids, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92917	Sulphuric esters and their salts, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.

- 113 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
Ex. 92918	Nitrous and nitric esters, and their halogenated, sulphonated, nitrated or nitrosated derivatives, other than ethyl nitrite		15 p.c.
92919	Phosphoric esters and their salts, including lactophosphates, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92920-1	Carbonic esters and their salts, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92921-1	Other esters of mineral acids (excluding halides) and their salts, and their halogenated, sulphonated, nitrated or nitrosated derivatives .....		15 p.c.
92922	Amine-function compounds .....		15 p.c.
92923	Single or complex oxygen-function amino-compounds .....		15 p.c.
92924	Quaternary ammonium salts and hydroxides; lecithins and other phospho-aminolipins .....		15 p.c.
92925	Amide-function compounds .....		15 p.c.
92926	Imide-function compounds and imine-function compounds .....		15 p.c.
92927	Nitrile-function compounds .....		15 p.c.
92928-1	Diazo-, azo- and azoxy-compounds		15 p.c.



- 114 -

SCHEDULE V - (CANADA)Part 1 - (continued)

Tariff Item Number	Description of Products	Base rate of Duty	Concession Rate of Duty
92929-1	Organic derivatives of hydrazine or of hydroxylamine .....		15 p.c.
92930	Compounds with other nitrogen-functions .....		15 p.c.
92931	Organo-sulphur compounds .....		15 p.c.
92932-1	Organo-arsenic compounds .....		15 p.c.
92933-1	Organo-mercury compounds .....		15 p.c.
92934	Other organo-inorganic compounds		15 p.c.
92935	Heterocyclic compounds; nucleic acids .....		15 p.c.
92936	Sulphonamides .....		15 p.c.
92937-1	Sultones and sultams .....		15 p.c.
92938	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent..		15 p.c.
92939	Hormones, natural or reproduced by synthesis, and derivatives thereof, used primarily as hormones .....		15 p.c.
92940	Enzymes .....		15 p.c.
92941	Glycosides; natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives .....		15 p.c.

- 115 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
92942	Vegetable alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives .....		15 p.c.
92943	Sugars, chemically pure, other than sucrose and glucose, but including lactose; sugar ethers and sugar esters, and their salts, other than products of Tariff Items 92939, 92941 and 92942 .....		15 p.c.
92944	Antibiotics .....		15 p.c.
92945	Other organic compounds .....		15 p.c.
93100-1	Fertilizers, formulated; goods for use as fertilizers; all the foregoing whether or not otherwise provided for elsewhere in Schedule A .....		Free
93202	Tannins (tannic acids), including water-extracted gall-nut tannin, and their salts, ethers, esters and other derivatives .....		15 p.c.
93203	Synthetic tanning substances, whether or not mixed with natural tanning materials; artificial bates for pre-tanning (for example, of enzymatic, pancreatic or bacterial origin)		15 p.c.
93204	Colouring matter of vegetable origin (including dyewood extract and other vegetable dyeing extracts, but excluding indigo) or of animal origin ....		15 p.c.
93205	Synthetic organic dyestuffs (including pigment dyestuffs); synthetic organic products of a kind used as luminophores; products of the kind known as optical bleaching agents, substantive to the fibre; natural indigo .....		15 p.c.



- 116 -

## SCHEDULE V - (CANADA)

## Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93206-1	Colour lakes .....		15 p.c.
93207	Other colouring matter; inorganic products of a kind used as luminophores .....		15 p.c.
93210	Artists', students' and signboard painters' colours, modifying tints, amusement colours and the like, in tablets, tubes, jars, bottles, pans or in similar forms or packings, including such colours in sets or outfits, with or without brushes, palettes or other accessories...		15 p.c.
93212	Glaziers' putty; grafting putty; painters' fillings, and stopping, sealing and similar mastics, including resin mastics and cements .....		15 p.c.
93402-1	Organic surface-active agents, surface-active preparations and washing preparations, whether or not containing soap .....		15 p.c.
93601	Propellent powders .....		15 p.c.
93602	Prepared explosives other than propellent powders .....		15 p.c.
93708-1	Chemical products and flash light materials, of a kind and in a form suitable for use in photography .....		15 p.c.
93802-1	Animal black (for example, bone black and ivory black), including spent animal black ...		15 p.c.

SCHEDULE V - (CANADA)

Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93803	Activated carbon (decolourising, depolarising or adsorbent); activated diatomite, activated clay, activated bauxite and other activated natural mineral products .....		15 p.c.
93804-1	Ammoniacal gas liquors and spent oxide produced in coal gas purification .....		15 p.c.
93805-1	Tall oil .....		15 p.c.
93808-1	Rosin and resin acids, and derivatives thereof other than esters gums included in Tariff Item 93905; rosin spirit and rosin oils .....		15 p.c.
93809-1	Wood tar; wood tar oils (other than the composite solvents and thinners falling within Tariff Item 93818); wood creosote; wood naphtha; acetone oil .....		15 p.c.
93810-1	Vegetable pitch of all kinds; brewers' pitch and similar compounds based on rosin or on vegetable pitch; foundry core binders based on natural resinous products .....		15 p.c.
Ex. 93812	Prepared glazings, prepared dressings and prepared mordants, other than starch or preparations having the quality of starch, of a kind used in the textile, paper, leather or like industries .....		15 p.c.



- 118 -

SCHEDULE V - (CANADA)Part I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93813-1	Pickling preparations for metal surfaces; fluxes and other auxiliary preparations for soldering, brazing or welding; soldering, brazing or welding powders and pastes consisting of metal and other materials; preparations of a kind used as cores or coatings for welding rods and electrodes .....		15 p.c.
93814	Anti-knock preparations, oxidation inhibitors, gum inhibitors, viscosity improvers, anti-corrosive preparations and similar prepared additives for mineral oils .....		15 p.c.
93815-1	Prepared rubber accelerators ....		15 p.c.
93817-1	Preparations and charges for fire-extinguishers, not including charged fire-extinguishing grenades .....		15 p.c.
93818-1	Composite solvents and thinners for varnishes and similar products .....		15 p.c.
93819	Chemical products and preparations of the chemical and allied industries (not including those consisting of mixtures of natural products other than compounded extenders for paints), n.o.p.; residual products of the chemical or allied industries, n.o.p.; not including soap nor pharmaceutical, flavouring, perfumery, cosmetic or toilet preparations .....		15 p.c.

- 119 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93901	<p>Condensation, polycondensation and polyaddition products, whether or not modified or polymerised; and whether or not linear (for example, phenoplasts, aminoplasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones):</p> <p>(a) Without admixture other than an agent necessary to prevent caking, including scrap and waste; aqueous emulsions, aqueous dispersions or aqueous solutions, without other admixture .....</p> <p>(b) In organic solvents, where the weight of the solvent does not exceed 50 per cent of the weight of the solution, without other admixture .....</p> <p>(c) Moulding compositions, n.o.p., including scrap or waste, whether or not completely formulated; such compositions in the form of not fully cured preforms for compression moulding .....</p>		<p>(a)</p> <p>12½ p.c.</p> <p>10 p.c.</p> <p>12½ p.c.</p> <p>(a)</p> <p>12½ p.c.</p>
93901-70	Compositions, n.o.p., composed entirely or predominantly of the condensation, polycondensation and polyaddition materials of paragraph (a) of this item .....		(d) 15 p.c.
93901-75	Admixed with other materials to form glues or adhesives packaged or in bulk .....		17½ p.c.





- 121 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93902 (cont'd) (c)	Moulding compositions, n.o.p., including scrap or waste, whether or not completely formulated; such compositions in the form of not fully cured preforms for compression moulding .....		12½ p.c.
93902-60	Compositions, n.o.p., composed entirely or predominantly of the polymerisation and copolymerisation materials of paragraph (a) of this item ...		15 p.c.
93902-65	Admixed with other materials to form glues or adhesives packaged or in bulk .....		17½ p.c.
93902-70	Foamed and expanded, in logs, sheets, blocks, boards, flakes, granules, powder, shreds, scrap or waste .....		15 p.c.
(g)	Plates, sheets, film, sheeting, strip; lay-flat or other tubing, blocks, bars, rods, sticks, non-textile monofilament and other profile shapes imported in lengths, all produced in uniform cross-section .....		17½ p.c.
93903	Regenerated cellulose; cellulose nitrate, cellulose acetate and other cellulose esters, cellulose ethers and other chemical derivatives of cellulose, plasticised or not (for example, collodions, celluloid); not including vulcanised fibre:		



- 122 -

## SCHEDULE V - (CANADA)

## PART I - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93903 (cont'd)  (a)	Without admixture; aqueous emulsions, aqueous dispersions or aqueous solutions, without other admixture; cellulose nitrate with not more than 35 per cent by weight of a dampening agent other than an organic solvent of Tariff Item 93903-15 .....		15 p.c.
93903-15	In organic solvents where the weight of the solvent, except for collodions, does not exceed 50 per cent of the weight of the solution, without other admixture .....		10 p.c.
93903-20	Moulding compositions, n.o.p., including scrap or waste, whether or not completely formulated; such compositions in the form of not fully cured preforms for compression moulding .....		10 p.c.
93903-25	Compositions, n.o.p., composed entirely or predominantly of the cellulosic materials of paragraph (a) above or the collodions of Tariff Item 93903-15 .....		10 p.c.
93903-30	Admixed with other materials to form glues or adhesives packaged or in bulk .....		17½ p.c.
93903-35	Foamed and expanded, in logs, sheets, blocks, boards, flakes, granules, powder, shreds, scrap or waste .....		15 p.c.

SCHEDULE V - (CANADA)

(PART I - (continued))

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
93903 (cont'd)  (g)	Plates, sheets, film, sheeting, strip; lay-flat or other tubing, blocks, bars, rods, sticks, non-textile monofilament and other profile shapes imported in lengths, all produced in uniform cross-section .....		15 p.c.
93904-1	Hardened proteins (for example, hardened casein and hardened gelatin) .....		10 p.c.
93905	Natural resins modified by fusion (run gums): artificial resins obtained by esterification of natural resins or of resinic acids (ester gums); chemical derivatives of natural rubber (for example, chlorinated rubber, rubber hydrochloride, oxidised rubber, cyclised rubber) .....		10 p.c.
93906	Other high polymers, artificial resins and artificial plastic materials, including alginic acid, its salts and esters; not including other vegetable saps and extracts, pectic substances, pectinates and pectates, agar-agar and other mucilages and thickeners derived from vegetable products, albuminoidal substances, glues, nor linnoxyn .....		15 p.c.
93907-1	Articles of materials of the kinds described in Tariff Items 93901 to 93906, n.o.p. ..		17½ p.c.



SCHEDULE V - (CANADA)

(Part I - (concluded))

Tariff Item Number	Description of Products	Concession Rate
<u>Notes:</u>		
6921-1 through 6928-1	1. Import permits shall not be required with respect to any of the products covered by tariff item numbers 6921-1 through 6928-1: provided, that this exemption shall not apply to grain products covered by these tariff item numbers which contain over 25 percent whole grains by weight.	(g)
14305-1, 14310-1, 14315-1, 14400-1, 15605-1, 15610-1, 15615-1, 15620-1, 15625-1, 15630-1, 15635-1 and 15645-1	2. With regard to items 14305-1, 14310-1, 14315-1, 14400-1, 15605-1, 15610-1, 15615-1, 15620-1, 15625-1, 15630-1, 15635-1 and 15645-1, the concession rates shown are the proposed new protective rates of duty; these rates do not include excise duties or taxes, which will apply equally to domestic and imported cigars, cigarettes, tobacco and spirits.	

## SCHEDULE V - (CANADA)

## PART II

## Preferential Tariff

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
3105-1	Ginger and spices, ground, n.o.p. .... per pound and	3 cts. 7½ p.c.	5 p.c.
3300-1	Nutmegs and mace, ground .....	20 p.c.	5 p.c.
3805-1	Yeast, n.o.p. ....	15 p.c.	5 p.c.
11300-1	Cocoonut, desiccated, sweetened or not ..... per pound	2 cts.	Free
16800-1	Malt flour containing less than fifty per centum in weight of malt; malt syrup or malt syrup powder, n.o.p.; extracts of malt, fluid or not; grain molasses -- all articles in this item upon valuation without British or foreign excise duties, under regulations prescribed by the Minister .....	20 p.c.	15 p.c.
16805-1	Malt syrup, malt syrup powder, or other starch conversion products produced by the action of enzymes on starch, not including any such products used in the brewing of beer .....	20 p.c.	17½ p.c.
19900-1	Papeteries, envelopes, and all manufactures of paper, n.o.p. ..	17½ p.c.	15 p.c.
23200-1	Glue, n.o.p. .... and, per pound	15 p.c. 2 cts.	15 p.c.
30400-1	Grindstones, mounted or not, n.o.p. ....	17½ p.c.	15 p.c.



## SCHEDULE V - (CANADA)

## PART II - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
36600-1	Watches of all kinds .....	20 p.c.	15 p.c.
38010-1	Iron or steel angles, beams, channels, columns, girders, joists, piling; tees, zees, and other shapes or sections, punched, drilled or further manufactured than hot-rolled, n.o.p. ....	17½ p.c.	15 p.c.
39200-1	Forgings, of iron or steel, in any degree of manufacture, n.o.p. ....	17½ p.c.	15 p.c.
41535-1	Carpet sweepers .....	20 p.c.	15 p.c.
42700-1	Machines, n.o.p., and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing .....	Various; mostly 10 p.c.	2½ p.c.
43210-1	Hollow-ware, of iron or steel, coated with vitreous enamel ....	17½ p.c.	15 p.c.
44500-1	Electric light fixtures and appliances, n.o.p., and complete parts thereof .....	20 p.c.	17½ p.c.
44502-1	Electric head, side and tail lights, n.o.p.; electric torches or flashlights and complete parts therefor .....	20 p.c.	17½ p.c.
44504-1	Electric arc lamps and incandescent electric light lamps, n.o.p. ....	20 p.c.	15 p.c.
44534-1	Radio or television receiving sets incorporating a record playing device .....	15 p.c.	10 p.c.
44535-1	Phonographs and parts thereof, n.o.p. ....	15 p.c.	10 p.c.

SCHEDULE V - (CANADA)

PART II - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
51100-1	Walking sticks and walking canes of all kinds; golf clubs and finished parts thereof; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics, n.o.p. ....	20 p.c. ) 17½ p.c. ) 15 p.c. )	15 p.c.
53305-1	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of wool or hair, when the textile component thereof is not more than fifty per cent, by weight, of silk, n.o.p. ....	25 p.c.	22½ p.c.
53405-1	Household blankets of any material except wholly of cotton ..... and, per pound	20 p.c. 5 cts.	20 p.c.
53410-1	Automobile rugs, steamer rugs, travel rugs and similar articles of any material except wholly of cotton ..... and, per pound	20 p.c. 5 cts.	20 p.c.
54125-1	Cordage, exceeding one inch in circumference, n.o.p.  The following, when the textile component thereof is more than fifty per cent, by weight, of silk:	20 p.c.	17½ p.c.
55301-1	Handkerchiefs, made from woven fabric .....	20 p.c.	17½ p.c.
55302-1	Headsquares, scarves or mufflers, made from woven fabrics .....	20 p.c.	17½ p.c.



- 4 -

SCHEDULE V - (CANADA)PART II - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Woven fabrics, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair, not including fabrics more than fifty per cent, by weight, of silk:		
56206-1	Not exceeding twelve inches in width .....	25 p.c.	22½ p.c.
	Woven fabrics containing five per cent or less, by weight, of man-made fibres or filaments or of glass fibres or filaments shall not be dutiable under items 56205-1 and 56206-1 but shall be dutiable as though composed wholly of the remaining constituents.		
56915-1	Hats, n.o.p. .... and, per dozen	20 p.c. 75 cts.	20 p.c.
57200-1	Oriental and imitation oriental rugs or carpets and carpeting, carpets and rugs, n.o.p. ....	25 p.c.	20 p.c.
57210-1	Oriental rugs or carpets with pile knotted by hand .....	25 p.c.	15 p.c.
	The following, when presented in the form of a sample, shall be dutiable as though composed wholly of the remaining constituents:		
55301-1	Handkerchiefs, made from woven fabric	25 p.c.	15 p.c.
55302-1	Handkerchiefs, made from woven fabric	25 p.c.	15 p.c.
	Handkerchiefs, made from woven fabric	25 p.c.	15 p.c.

- 5 -

SCHEDULE V - (CANADA)PART II - (continued)

Tariff Item Number	Description of Products	Base Rate of Duty	Concession Rate of Duty
	Coated or impregnated fabrics, containing textile fabric, produced by any method, including lamination, if the weight of the textile fabric is less than two-thirds of the weight of the coated or impregnated fabric:		
57401-1	The textile fabric being wholly or in part of man-made fibres or filaments or of glass fibres or filaments .....	27½ p.c.	22½ p.c.
58000-1	Hair, spring and other mattresses .....	20 p.c.	15 p.c.
59705-1	Pianofortes and organs, n.o.p. ..	20 p.c.	17½ p.c.
61300-1	Manufactures of leather, including manufactures of rawhide, n.o.p. ....	17½ p.c.	15 p.c.
61905-1	Rubber clothing and clothing made from waterproofed cotton fabrics .....	22½ p.c.	20 p.c.
63400-1	Feathers and manufactures of feathers, n.o.p.; artificial feathers, fruits, grains, leaves and flowers suitable for ornamenting hats .....	20 p.c.	17½ p.c.
65100-1	Buttons of all kinds, covered or not, and button blanks other than in the rough, n.o.p.; recognition buttons and cuff or collar buttons .....	20 p.c.	15 p.c.
	and, per gross	5 cts.	5 cts.
65105-1	Buttons, and button blanks other than in the rough, of vegetable ivory .....	20 p.c.	15 p.c.
	and, per gross	5 cts.	5 cts.





APPENDIX "B"

CUSTOMS TARIFF

5. That subsection (1) of section 2 of the Customs Tariff be amended by adding thereto, immediately after paragraph (a) thereof, the following paragraphs:

(a) "wire"

(i) when applied to copper or copper alloys containing fifty per cent or more by weight of copper

WAYS AND MEANS  
RESOLUTIONS

(B) a product of any cross-sectional shape, in coils or cut to length, cold-rolled or annealed and not over 1.55 inches in width nor over 0.50 inches in thickness,

(ii) when applied to aluminium or aluminium alloys means a non-tubular product of any cross-sectional shape (whether or not with recessed grooves) of round, hexagonal or octagonal cross-section, in coils or cut to length and not over 0.50 inch in thickness, and

CUSTOMS TARIFF

(iii) when applied to steel, copper, copper alloys containing fifty per cent or more by weight of copper, aluminium or aluminium alloys means a ductile, non-tubular product of any cross-sectional shape, in coils or cut to length and not over 1.55 inches in width nor over 0.50 inch in thickness, and

Presented to the House of Commons

by

The Honourable MITCHELL SHARP

Minister of Finance

(a) "wire of iron or steel"

(i) if in straight lengths and not over 1.55 inches in maximum cross-sectional dimension of 0.50 inch, or

(ii) if cold-rolled flat sheet, annealed and not over 0.50 inch in thickness, in coils or in straight lengths.

5. That section 13 of the Customs Tariff be amended by repealing subsection (1) of section 13 in force and by inserting in its stead the following:

Monday, November 6, 1967

13. (1) The Minister

(a) that in lieu of the ad valorem rate of duty or the free rate of duty, the specific duty provided for in tariff items 8703-1 to 8710-1 inclusive, 8712-1, 8713-1, 8714-1, 8715-1, 8716-1, 8717-1, 8718-1, 8719-1, 8724-1, 8728-1, 8201-1 to 8207-1 inclusive, 8208-1, 8209-1, 8210-1, 8211-1, 8402-1 and 8500-1 shall apply, and

(b) that in lieu of the free rate of duty, the ad valorem rate of duty provided for in tariff items 8712-1, 8713-1, 8714-1, 8715-1 and 8207-1 shall apply.





## CUSTOMS TARIFF

5. That subsection (1) of section 2 of the *Customs Tariff* be amended by adding thereto, immediately after paragraph (m) thereof, the following paragraphs:

(n) "wire"

(i) when applied to copper or copper alloys containing fifty per cent or more by weight of copper means

(A) a drawn, non-tubular product of any cross-sectional shape, in coils or cut to length and not over 0.50 inch in maximum cross-sectional dimension, or

(B) a product of solid rectangular cross-section in coils or cut to length, cold-rolled after drawing and not over 1.25 inches in width nor over 0.188 inch in thickness,

(ii) when applied to aluminum or aluminum alloys means a non-tubular product of rectangular or square cross-section (whether or not with rounded corners), or of round, hexagonal or octagonal cross-section, in coils or cut to length and not over 0.50 inch in maximum cross-sectional dimension, and

(iii) when applied to metals other than iron, steel, copper, copper alloys containing fifty per cent or more by weight of copper, aluminum or aluminum alloys means a drawn, non-tubular product of any cross-sectional shape, in coils or cut to length and not over 0.50 inch in maximum cross-sectional dimension; and

(o) "wire of iron or steel" means a drawn, non-tubular product of iron or steel

(i) if in coils, with any cross-sectional shape or dimension,

(ii) if in straight cut lengths, with a maximum cross-sectional dimension of 0.50 inch, or

(iii) if cold-rolled flat after drawing, with a maximum width of 0.50 inch, in coils or in straight cut lengths.

6. That section 13 of the *Customs Tariff* be amended by repealing subsection (1) of section 13 thereof and by substituting therefor the following:

13. (1) The Minister may order

(a) that in lieu of the ad valorem rate of duty or the free rate of duty, the specific duty provided for in tariff items 8702-1 to 8710-1 inclusive, 8712-1, 8715-1, 8717-1, 8719-1 to 8722-1 inclusive, 8724-1, 8728-1, 9201-1 to 9203-1 inclusive, 9205-1, 9206-1, 9208-1, 9210-1, 9211-1, 9402-1 and 9500-1 shall apply, and

(b) that in lieu of the free rate of duty, the ad valorem rate of duty provided for in tariff items 8713-1, 8718-1, 8727-1, 8729-1 and 9207-1 shall apply,



to goods described in the order imported through ports in a region or part of Canada during such period or periods as may be fixed by the Minister.

7. That the *Customs Tariff* be amended by adding thereto, immediately after section 17 thereof, the following section:

18. (1) *There shall be levied, collected and paid as a Customs duty on all goods hereinafter enumerated in this section when imported into Canada or taken out of warehouse for consumption therein, in addition to the duties otherwise established, an amount equal to the amount that would have been imposed, levied and collected thereon under the Excise Act as excise duties if*

(a) *in the case of goods enumerated in tariff items 15605-1, 15610-1, 15615-1, 15625-1, 15627-1, 15630-1, 15635-1, 15640-1, 15645-1 and 15650-1, the goods were "spirits" within the meaning of the Excise Act and were "distilled in Canada" within the meaning of that Act;*

(b) *in the case of brandy enumerated in tariff item 15620-1, the brandy were "Canadian brandy" within the meaning of the Excise Act;*

(c) *in the case of ale, beer, porter and stout enumerated in tariff item 14700-1, the goods were "beer or malt liquor" within the meaning of the Excise Act; and*

(d) *in the case of cigars, cigarettes and tobacco enumerated in tariff items 14305-1, 14315-1, 14400-1, 14450-1 and 14500-1, the goods were "tobacco, cigars and cigarettes manufactured in Canada" within the meaning of the Excise Act.*

(2) *The Minister may make such regulations as are deemed necessary for carrying out the provisions of this section and for its enforcement.*

8. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 400-1, 503-1, 504-1, 600-1, 702-1, 704-1, 705-1, 800-1, 815-1, 820-1, 835-1, 910-1, 935-1, 1002-1, 1205-1, 1300-1, 1305-1, 1400-1, 1510-1, 1515-1, 1520-1, 1605-1, 1610-1, 1805-1, 1900-1, 2000-1, 2005-1, 2010-1, 2015-1, 2100-1, 2200-1, 2300-1, 2500-1, 2600-1, 2700-1, 3005-1, 3010-1, 3015-1, 3020-1, 3105-1, 3200-1, 3300-1, 3400-1, 3500-1, 3915-1, 3920-1, 3930-1, 3940-1, 4000-1, 4100-1, 4200-1, 4205-1, 4305-1, 4500-1, 4505-1, 4600-1, 4710-1, 4800-1, 4900-1, 5000-1, 5300-1, 5900-1, 6300-1, 6400-1, 6500-1, 6505-1, 6600-1, 6605-1, 6700-1, 6800-1, 6900-1, 6910-1, 7000-1, 7105-1, 7110-1, 7110-2, 7110-3, 7110-4, 7200-1, 7220-1, 7225-1, 7300-1, 7300-2, 7300-3, 7300-4, 7300-5, 7300-6, 7300-7, 7300-8, 7300-9, 7300-10, 7300-11, 7300-12, 7300-13, 7300-14, 7305-1, 7310-1, 7401-1, 7402-1, 7403-1, 7501-1, 7502-1, 7601-1, 7602-1, 7603-1, 7610-1, 7615-1, 7625-1, 7705-1, 7710-1, 7800-1, 7900-1, 8101-1, 8102-1, 8103-1, 8104-1, 8205-1, 8210-1, 8215-1, 8220-1, 8225-1, 8235-1, 8235-2, 8315-1, 8505-1, 8510-1, 8705-1, 8707-1, 8708-1, 8710-1, 8713-1, 8718-1, 8719-1, 8720-1, 8725-1, 8726-1, 8727-1, 9003-1, 9010-1, 9010-2, 9015-1, 9015-2, 9020-1, 9025-1, 9030-1, 9035-1, 9040-1, 9045-1, 9100-1, 9201-1, 9202-1, 9204-1, 9205-1, 9207-1, 9208-1, 9209-1, 9212-1, 9300-1, 9402-1, 9510-1, 9915-1, 9935-1, 9945-1, 9950-1, 10200-1, 10500-1, 10520-1, 10525-1, 10535-1, 10540-1, 10545-1, 10550-1, 10555-1, 10605-1, 10701-1, 10900-1, 10900-2,



10900-3, 10900-4, 10900-5, 11000-1, 11300-1, 11500-1, 11600-1, 11901-1,  
 11902-1, 11903-1, 11904-1, 12001-1, 12002-1, 12003-1, 12004-1, 12100-2,  
 12200-1, 12301-1, 12302-1, 12303-1, 12400-1, 12405-1, 12405-2, 12505-1,  
 12600-1, 12700-1, 12805-1, 12900-1, 13000-1, 13300-1, 13800-1, 14100-1,  
 14201-1, 14202-1, 14205-1, 14210-1, 14305-1, 14310-1, 14315-1, 14400-1,  
 14500-1, 14700-1, 14705-1, 15201-1, 15202-1, 15203-1, 15204-1, 15205-1,  
 15206-1, 15207-1, 15209-1, 15215-1, 15300-1, 15605-1, 15610-1, 15615-1,  
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 68905-1, 71100-1, 71100-5, 71100-6, 71100-11, 71100-13, 81400-1, 82400-1  
 and 83900-1, and the enumerations of goods and the rates of duty set opposite  
 each of those items, and by inserting in Schedule A to the *Customs Tariff* the  
 following items, enumerations of goods and rates of duty:

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
400-1	Horses, n.o.p. .... each	\$5.00	\$5.00	\$25.00	\$6.25	\$6.25	\$25.00
	on and after January 1, 1969, each	\$3.75	\$3.75	\$25.00			
	on and after January 1, 1970, each	\$2.50	\$2.50	\$25.00			
	on and after January 1, 1971, each	\$1.25	\$1.25	\$25.00			
	on and after January 1, 1972, each	Free	Free	\$25.00			
	Animals, living, n.o.p.:						
503-1	Silver or black foxes .....	Free	Free	25 p.c.	Free	20 p.c.	25 p.c.
504-1	Cows imported specially for dairy purposes .....						
	..... per pound	Free	1.2 cts.	3 cts.	Free	1.5 cts.	3 cts.
	on and after January 1, 1969, per pound	Free	0.9 ct.	3 cts.			
	on and after January 1, 1970, per pound	Free	0.6 ct.	3 cts.			
	on and after January 1, 1971, per pound	Free	0.3 ct.	3 cts.			
	on and after January 1, 1972, per pound	Free	Free	3 cts.			
505-1	N.o.p. ....	Free	4 p.c.	25 p.c.	Free	5 p.c.	25 p.c.
	on and after January 1, 1969	Free	3 p.c.	25 p.c.			
	on and after January 1, 1970	Free	2 p.c.	25 p.c.			
	on and after January 1, 1971	Free	1 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
600-1	Live hogs..... per pound	Free	0.9 ct.	3 cts.	Free	1 ct.	3 cts.
	on and after January 1, 1969, per pound	Free	0.8 ct.	3 cts.			
	on and after January 1, 1970, per pound	Free	0.7 ct.	3 cts.			
	on and after January 1, 1971, per pound	Free	0.6 ct.	3 cts.			
	on and after January 1, 1972, per pound	Free	0.5 ct.	3 cts.			
	Meats, fresh, n.o.p.:						
704-1	Pork..... per pound	1.10 cts.	1.10 cts.	5 cts.	1.25 cts.	1.25 cts.	5 cts.
	on and after January 1, 1969, per pound	0.95 ct.	0.95 ct.	5 cts.			
	on and after January 1, 1970, per pound	0.80 ct.	0.80 ct.	5 cts.			
	on and after January 1, 1971, per pound	0.65 ct.	0.65 ct.	5 cts.			
	on and after January 1, 1972, per pound	0.50 ct.	0.50 ct.	5 cts.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
705-1	N.o.p..... per pound	2 cts.	2½ cts.	5 cts.	2 cts.	2½ cts.	5 cts.
	on and after January 1, 1969, per pound	1½ cts.	2 cts.	5 cts.			
	on and after January 1, 1970, per pound	1½ cts.	1½ cts.	5 cts.			
	on and after January 1, 1971, per pound	1½ cts.	1½ cts.	5 cts.			
	on and after January 1, 1972, per pound	1½ cts.	1½ cts.	5 cts.			
707-1	Edible meat offal of all animals..... per pound	0.9 ct.	0.9 ct.	5 cts.	1 ct.	1 ct.	8 cts.
	on and after January 1, 1969, per pound	0.8 ct.	0.8 ct.	5 cts.	(Minimum 5 p.c.)	(Minimum 5 p.c.)	
	on and after January 1, 1970, per pound	0.7 ct.	0.7 ct.	5 cts.			
	on and after January 1, 1971, per pound	0.6 ct.	0.6 ct.	5 cts.			
	on and after January 1, 1972, per pound	0.5 ct.	0.5 ct.	5 cts.	Various	Various	Various
800-1	Canned beef.....	15 p.c.	28 p.c.	35 p.c.	15 p.c.	30 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	26 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	24 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
815-1	Pâtés de foie gras, foies gras, preserved, in tins or otherwise; lark pâtés.....	Free	Free	35 p.c.	7½ p.c.	7½ p.c.	35 p.c.
820-1	Animal liver paste.....	Free	Free	35 p.c.	7½ p.c.	7½ p.c.	35 p.c.
835-1	Extracts of meat and fluid beef, not medicated.....	10 p.c.	24 p.c.	35 p.c.	10 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
910-1	Quails, partridges, and squabs, live or dead, n.o.p....	Free	Free	30 p.c.	10 p.c.	12½ p.c.	30 p.c.
935-1	Game, n.o.p.....	Free	Free	20 p.c.	12½ p.c.	12½ p.c.	20 p.c.
	Meats, prepared or preserved, other than canned:						
1002-1	N.o.p..... per pound	Free	1.8 cts.	6 cts.	Free	2 cts.	6 cts.
	on and after January 1, 1969, per pound	Free	1.6 cts.	6 cts.			
	on and after January 1, 1970, per pound	Free	1.4 cts.	6 cts.			
	on and after January 1, 1971, per pound	Free	1.2 cts.	6 cts.			
	on and after January 1, 1972, per pound	Free	1 ct.	6 cts.			

1205-1	Sausage skins or casings, cleaned, . . . . .	Free	14 p.c.	17½ p.c.	Free	15 p.c.	17½ p.c.
	on and after January 1, 1969	Free	13 p.c.	17½ p.c.			
	on and after January 1, 1970	Free	12 p.c.	17½ p.c.			
	on and after January 1, 1971	Free	11 p.c.	17½ p.c.			
	on and after January 1, 1972	Free	10 p.c.	17½ p.c.			
1300-1	Lard and animal stearine of all kinds, n.o.p. . . . .						
	per pound	1.40 cts.	1.60 cts.	2 cts.	1.50 cts.	1.75 cts.	2 cts.
	on and after January 1, 1969, per pound	1.30 cts.	1.45 cts.	2 cts.			
	on and after January 1, 1970, per pound	1.20 cts.	1.30 cts.	2 cts.			
	on and after January 1, 1971, per pound	1.10 cts.	1.15 cts.	2 cts.			
	on and after January 1, 1972, per pound	1 ct.	1 ct.	2 cts.			
1305-1	Lard compound and similar substances, n.o.p. . . . .						
	per pound	1.40 cts.	1.60 cts.	2 cts.	1.50 cts.	1.75 cts.	2 cts.
	on and after January 1, 1969, per pound	1.30 cts.	1.45 cts.	2 cts.			
	on and after January 1, 1970, per pound	1.20 cts.	1.30 cts.	2 cts.			
	on and after January 1, 1971, per pound	1.10 cts.	1.15 cts.	2 cts.			
	on and after January 1, 1972, per pound	1 ct.	1 ct.	2 cts.			
1400-1	Tallow . . . . .	Free	16 p.c.	20 p.c.	Free	17½ p.c.	20 p.c.
	on and after January 1, 1969	Free	14½ p.c.	20 p.c.			
	on and after January 1, 1970	Free	13 p.c.	20 p.c.			
	on and after January 1, 1971	Free	11½ p.c.	20 p.c.			
	on and after January 1, 1972	Free	10 p.c.	20 p.c.			
1510-1	Beeswax, refined but not bleached . . . . .	Free	7½ p.c.	20 p.c.	Free	15 p.c.	20 p.c.
1515-1	Beeswax, n.o.p. . . . .	7½ p.c.	7½ p.c.	20 p.c.	15 p.c.	15 p.c.	20 p.c.
1520-1	Honey-comb foundations, of wax . . . . .	7½ p.c.	7½ p.c.	20 p.c.	15 p.c.	15 p.c.	20 p.c.
1605-1	Eggs, whole, egg yolk or egg albumen, frozen or otherwise prepared, n.o.p., whether or not sugar or other material be added . . . . .	5 cts.	9.4 cts.	11 cts.	5 cts.	10 cts.	11 cts.
	on and after January 1, 1969, per pound	5 cts.	8.8 cts.	11 cts.			
	on and after January 1, 1970, per pound	5 cts.	8.2 cts.	11 cts.			
	on and after January 1, 1971, per pound	5 cts.	7.6 cts.	11 cts.			
	on and after January 1, 1972, per pound	5 cts.	7 cts.	11 cts.			
1610-1	Eggs, egg yolk or egg albumen, dried, evaporated, desiccated, or powdered, whether or not sugar or other material be added . . . . .	10 p.c.	24 p.c.	30 p.c.	10 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	30 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	Present Rates			
			General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
1805-1 Peanut butter.....per pound	3 cts.	4 cts.	7 cts.	3 cts.	5 cts.	7 cts.
1900-1 Cocoa shells and nibs.....	Free	Free	10 p.c.	7½ p.c.	7½ p.c.	10 p.c.
2000-1 Cocoa paste or "liquor" and chocolate paste or "liquor", not sweetened, in blocks or cakes..... .....per pound	1 ct.	1 ct.	5 cts.	3 cts.	3 cts.	5 cts.
2005-1 Butter produced from the cocoa bean.....per pound	Free	Free	3 cts.	Free	2½ cts.	3 cts.
2010-1 Illipe butter.....	Free	Free	25 p.c.	5 p.c.	10 p.c.	25 p.c.
2015-1 Shea butter.....	Free	Free	10 p.c.	Free	10 p.c.	10 p.c.
2100-1 Cocoa paste or "liquor" and chocolate paste or "liquor", sweetened, in blocks or cakes, not less than two pounds in weight.....per pound	2 cts.	2 cts.	5½ cts.	4 cts.	4 cts.	5½ cts.
2200-1 Preparations of cocoa or chocolate in powder form... on and after January 1, 1969 on and after January 1, 1970 on and after January 1, 1971 on and after January 1, 1972	21 p.c. 19½ p.c. 18 p.c. 16½ p.c. 15 p.c.	21 p.c. 19½ p.c. 18 p.c. 16½ p.c. 15 p.c.	35 p.c. 35 p.c. 35 p.c. 35 p.c. 35 p.c.	22½ p.c.	22½ p.c.	35 p.c.
2300-1 Preparations of cocoa or chocolate, n.o.p., and confectionery coated with or containing chocolate..... on and after January 1, 1969 on and after January 1, 1970 on and after January 1, 1971 on and after January 1, 1972	10 p.c. 10 p.c. 10 p.c. 10 p.c. 10 p.c.	19 p.c. 18 p.c. 17 p.c. 16 p.c. 15 p.c.	35 p.c. 35 p.c. 35 p.c. 35 p.c. 35 p.c.	10 p.c.	20 p.c.	35 p.c. plus 2½ cts. per lb.
2500-1 Chicory, kiln dried, roasted or ground...per pound	1 ct.	1 ct.	5 cts.	2 cts.	2 cts.	5 cts.
2600-1 Coffee, roasted or ground.....per pound	2 cts.	2 cts.	5 cts.	2 cts.	4 cts.	5 cts.
2700-1 Coffee, green, n.o.p.....per pound	Free	Free	5 cts.	Free	2 cts.	5 cts.

2810-1	Maté.....	Free	Free	Free	15 p.c.	20 p.c.	25 p.c.
3005-1	Cloves, unground.....	Free	5 p.c.	12½ p.c.	Free	10 p.c.	12½ p.c.
3010-1	Cinnamon, unground.....	Free	5 p.c.	12½ p.c.	Free	12½ p.c.	12½ p.c.
3015-1	Ginger, unground.....	Free	5 p.c.	12½ p.c.	Free	12½ p.c.	12½ p.c.
3020-1	Spices, unground, n.o.p.....	Free	5 p.c.	12½ p.c.	Free	12½ p.c.	12½ p.c.
3105-1	Ginger and spices, ground, n.o.p.....	5 p.c.	7½ p.c.	10 p.c.	3 cts. lb. and 7½ p.c.	3 cts. lb. and 10 p.c.	3 cts. lb. and 10 p.c.
3110-1	Curry powder and paste.....	Free	Free	10 p.c.	3 cts. lb. and 7½ p.c.	3 cts. lb. and 10 p.c.	3 cts. lb. and 10 p.c.
3200-1	Nutmegs and mace, whole or unground.....	Free	12½ p.c.	20 p.c.	Free	15 p.c.	20 p.c.
3300-1	Nutmegs and mace, ground.....	5 p.c.	12½ p.c.	30 p.c.	20 p.c.	27½ p.c.	30 p.c.
3400-1	Mustard, ground.....	7½ p.c.	7½ p.c.	27½ p.c.	12½ p.c.	15 p.c.	27½ p.c.
3500-1	Hops.....per pound	Free	Free	16 cts.	6 cts.	10 cts.	16 cts.
3915-1	Starch or flour of sago, cassava, or rice...per pound	¾ ct.	1 ct.	1½ cts.	¾ ct.	1½ cts.	1½ cts.
3920-1	Rice meal, rice feed, rice polish, rice bran, rice shorts .....per pound	0.75 ct.	0.95 ct.	1.25 cts.	0.75 ct.	1 ct.	1.25 cts.
	on and after January 1, 1969, per pound	0.75 ct.	0.90 ct.	1.25 cts.			
	on and after January 1, 1970, per pound	0.75 ct.	0.85 ct.	1.25 cts.			
	on and after January 1, 1971, per pound	0.75 ct.	0.80 ct.	1.25 cts.			
	on and after January 1, 1972, per pound	0.75 ct.	0.75 ct.	1.25 cts.			
3930-1	Combinations or preparations of starch and dextrine with admixture of foreign material, n.o.p., which, when mixed with cold water, do not form an ad- hesive paste.....per pound	1 ct.	1 ct.	2½ cts.	1 ct.	2 cts.	2½ cts.
3940-1	Arrowroot.....per pound	Free	Free	1½ cts.	Free	1½ cts.	1½ cts.
4305-1	Powdered milk, the weight of the package to be in- cluded in the weight for duty.....per pound	2½ cts.	3½ cts.	5 cts.	2½ cts.	4 cts.	5 cts.



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
4500-1	Milk foods, n.o.p. ....	17 p.c.	17 p.c.	27½ p.c.	17½ p.c.	17½ p.c.	27½ p.c.
	on and after January 1, 1969	16½ p.c.	16½ p.c.	27½ p.c.			
	on and after January 1, 1970	16 p.c.	16 p.c.	27½ p.c.			
	on and after January 1, 1971	15½ p.c.	15½ p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	27½ p.c.			
4505-1	Prepared cereal foods, in packages not exceeding twenty-five pounds weight each. ....	19½ p.c.	19½ p.c.	27½ p.c.	20 p.c.	20 p.c.	27½ p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	27½ p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	27½ p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	27½ p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	27½ p.c.			
4600-1	Prepared cereal foods, n.o.p. ....	14½ p.c.	14½ p.c.	20 p.c.	15 p.c.	15 p.c.	20 p.c.
	on and after January 1, 1969	14 p.c.	14 p.c.	20 p.c.			
	on and after January 1, 1970	13½ p.c.	13½ p.c.	20 p.c.			
	on and after January 1, 1971	13 p.c.	13 p.c.	20 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	20 p.c.			
4710-1	Lima and Madagascar beans, dried. .... per pound	Free	Free	2 cts.	Free	½ ct.	2 cts.
4800-1	Peas, n.o.p., and lentils, whole or split. .... per pound	Free	¾ ct.	1 ct.	Free	¾ ct.	1 ct.
					5 p.c.	7½ p.c.	15 p.c.
					15 p.c.	20 p.c.	25 p.c.
4900-1	Buckwheat. .... per bushel	Free	Free	15 cts.	Free	12½ cts.	15 cts.
5000-1	Buckwheat meal or flour. .... per one hundred pounds	Free	Free	50 cts.	Free	45 cts.	50 cts.
5300-1	Cornmeal. .... per barrel	Free	48 cts.	60 cts.	Free	50 cts.	60 cts.
	on and after January 1, 1969, per barrel	Free	46 cts.	60 cts.			
	on and after January 1, 1970, per barrel	Free	44 cts.	60 cts.			
	on and after January 1, 1971, per barrel	Free	42 cts.	60 cts.			
	on and after January 1, 1972, per barrel	Free	40 cts.	60 cts.			

5505-1	Grain sorghum.....per bushel	8 cts.	8 cts.	12 cts.	5 p.c. ad valorem	7½ p.c. ad valorem	15 p.c. ad valorem
5900-1	Rye meal or flour.....per barrel	Free	25 cts.	50 cts.	Free	45 cts.	50 cts.
					15 p.c.	20 p.c.	25 p.c.
6300-1	Rice, cleaned.....per one hundred pounds	50 cts.	66 cts.	\$1.00	50 cts.	70 cts.	\$1.00
	on and after January 1, 1969,						
	per one hundred pounds	50 cts.	62 cts.	\$1.00			
	on and after January 1, 1970,						
	per one hundred pounds	50 cts.	58 cts.	\$1.00			
	on and after January 1, 1971,						
	per one hundred pounds	50 cts.	54 cts.	\$1.00			
	on and after January 1, 1972,						
	per one hundred pounds	50 cts.	50 cts.	\$1.00			
	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.						
6400-1	Sago and tapioca.....	10 p.c.	10 p.c.	27½ p.c.	12½ p.c.	17½ p.c.	27½ p.c.
6500-1	Biscuits, not sweetened.....	12½ p.c.	16½ p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	15½ p.c.	25 p.c.			
	on and after January 1, 1970	12½ p.c.	14½ p.c.	25 p.c.			
	on and after January 1, 1971	12½ p.c.	13½ p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	25 p.c.			
6505-1	Special dietary breads and biscuits under regulations of the Department of National Health and Welfare.	Free	5 p.c.	10 p.c.	Free	7½ p.c.	10 p.c.
6600-1	Biscuits, sweetened.....	18½ p.c.	22½ p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	17 p.c.	20 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	17½ p.c.	30 p.c.			
	on and after January 1, 1971	14 p.c.	15 p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	30 p.c.			
6605-1	Biscuits, sweetened or unsweetened, valued at not less than 20 cents per pound, said value to be based on the net weight and to include the value of the usual retail package.....	Free	18½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
	on and after January 1, 1969	Free	17 p.c.	30 p.c.			
	on and after January 1, 1970	Free	15½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	14 p.c.	30 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	30 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
6700-1	Macaroni and vermicelli, containing no egg or other added ingredients..... per one hundred pounds	Free	\$1.12½	\$1.50	Free	\$1.25	\$1.50
	on and after January 1, 1969,	Free	\$1.00	\$1.50			
	per one hundred pounds						
	on and after January 1, 1970,	Free	87½ cts.	\$1.50			
	per one hundred pounds						
	on and after January 1, 1971,	Free	75 cts.	\$1.50			
	per one hundred pounds						
	on and after January 1, 1972,	Free	62½ cts.	\$1.50			
	per one hundred pounds						
	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.						
6900-1	Straw..... per ton	Free	Free	\$2.00	Free	50 cts.	\$2.00
6910-1	Hay..... per ton	Free	Free	\$5.00	Free	60 cts.	\$5.00
	Feeds, n.o.p., for animals and poultry, and ingredients for use therein, n.o.p.:						
6921-1	Other than the following.....	13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6922-1	Bran, shorts and middlings.....	13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			

6923-1	Dried beet pulp.....		14 p.c.	18 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	13 p.c.	16 p.c.	25 p.c.			
		on and after January 1, 1970	12 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1971	11 p.c.	12 p.c.	25 p.c.			
		on and after January 1, 1972	10 p.c.	10 p.c.	25 p.c.			
6924-1	Brewers' and distillers' grains and malt sprouts....		13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
		on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6925-1	Grain hulls.....		13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
		on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6926-1	Flaxseed screenings.....		13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
		on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6927-1	Screenings, n.o.p.....		13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
		on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6928-1	By-products obtained from the milling of grains; mixed feeds, and mixed-feed ingredients.....		13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
		on and after January 1, 1969	11 p.c.	14 p.c.	25 p.c.			
		on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
		on and after January 1, 1971	7 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
6929-1	Alfalfa meal or grass meal.....		15 p.c.	20 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
6930-1	Guar meal.....		Free	Free	25 p.c.	15 p.c.	20 p.c.	25 p.c.
7000-1	Flaxseed.....per bushel		Free	Free	10 cts.	7½ cts.	10 cts.	10 cts.



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
7105-1	Timothy seed..... per pound	Free	0.4 ct.	2 cts.	Free	0.5 ct.	2 cts.
	on and after January 1, 1969, per pound	Free	0.3 ct.	2 cts.			
	on and after January 1, 1970, per pound	Free	0.2 ct.	2 cts.			
	on and after January 1, 1971, per pound	Free	0.1 ct.	2 cts.			
	on and after January 1, 1972, per pound	Free	Free	2 cts.			
	Clover seed, including alfalfa seed:						
7111-1	Other than the following..... per pound	Free	1.6 cts.	3 cts.	Free	2 cts.	3 cts.
	on and after January 1, 1969, per pound	Free	1.2 cts.	3 cts.			
	on and after January 1, 1970, per pound	Free	0.8 ct.	3 cts.			
	on and after January 1, 1971, per pound	Free	0.4 ct.	3 cts.			
	on and after January 1, 1972, per pound	Free	Free	3 cts.			
7112-1	White (ladino), Sweet, and common white (White Dutch)..... per pound	Free	Free	3 cts.	Free	1 ct.	3 cts.
					Free	1½ cts.	3 cts.
7200-1	Field and garden seeds not specified as free, valued at not less than five dollars per pound, n.o.p., in packages weighing not less than one ounce each....	4 p.c.	6 p.c.	10 p.c.	5 p.c.	7½ p.c.	10 p.c.
	on and after January 1, 1969	3 p.c.	4½ p.c.	10 p.c.			
	on and after January 1, 1970	2 p.c.	3 p.c.	10 p.c.			
	on and after January 1, 1971	1 p.c.	1½ p.c.	10 p.c.			
	on and after January 1, 1972	Free	Free	10 p.c.			
7220-1	Millet seed.....	Free	Free	10 p.c.	5 p.c.	7½ p.c.	10 p.c.
7225-1	Bent grass seed, not to include red-top grass seed .....	Free	Free	2 cts.	1 ct.	1 ct.	30 p.c. ad valorem
	..... per pound						
	Field seeds, n.o.p., when in packages weighing more than one pound each:						
7301-1	Other than the following..... per pound	Free	Free	2 cts.	5 p.c. ad valorem	7½ p.c. ad valorem	15 p.c. ad valorem

7302-1	Blue grass.....	per pound	Free	Free	2 cts.	1.3 cts.	1.3 cts.	15 p.c. ad valorem
7303-1	Brome grass.....	per pound	0.3 ct.	0.3 ct.	2 cts.	0.4 ct.	0.4 ct.	15 p.c. ad valorem
	on and after January 1, 1969,	per pound	0.2 ct.	0.2 ct.	2 cts.			
	on and after January 1, 1970,	per pound	0.1 ct.	0.1 ct.	2 cts.			
	on and after January 1, 1971,	per pound	Free	Free	2 cts.			
7304-1	Chewing's fescue.....	per pound	Free	Free	2 cts.	0.4 ct.	0.4 ct.	15 p.c. ad valorem
7305-1	Meadow fescue.....	per pound	0.4 ct.	0.4 ct.	2 cts.	0.5 ct.	0.5 ct.	15 p.c. ad valorem
	on and after January 1, 1969,	per pound	0.3 ct.	0.3 ct.	2 cts.			
	on and after January 1, 1970,	per pound	0.2 ct.	0.2 ct.	2 cts.			
	on and after January 1, 1971,	per pound	0.1 ct.	0.1 ct.	2 cts.			
	on and after January 1, 1972,	per pound	Free	Free	2 cts.			
7306-1	Orchard grass.....	per pound	Free	Free	2 cts.	1 ct.	1 ct.	15 p.c. ad valorem
7307-1	Poppy.....	per pound	Free	Free	2 cts.	5 p.c.	5 p.c.	15 p.c.
7308-1	Red fescue.....	per pound	0.8 ct.	0.8 ct.	2 cts.	1 ct.	1 ct.	15 p.c. ad valorem
	on and after January 1, 1969,	per pound	0.6 ct.	0.6 ct.	2 cts.			
	on and after January 1, 1970,	per pound	0.4 ct.	0.4 ct.	2 cts.			
	on and after January 1, 1971,	per pound	0.2 ct.	0.2 ct.	2 cts.			
	on and after January 1, 1972,	per pound	Free	Free	2 cts.			
7309-1	Rye grass.....	per pound	Free	Free	2 cts.	1½ cts.	1½ cts.	15 p.c. ad valorem
7310-1	Tall oat grass.....	per pound	Free	Free	2 cts.	1½ cts.	1½ cts.	15 p.c. ad valorem
7311-1	Wheat grass.....	per pound	0.3 ct.	0.3 ct.	2 cts.	0.4 ct.	0.4 ct.	15 p.c. ad valorem
	on and after January 1, 1969,	per pound	0.2 ct.	0.2 ct.	2 cts.			
	on and after January 1, 1970,	per pound	0.1 ct.	0.1 ct.	2 cts.			
	on and after January 1, 1971,	per pound	Free	Free	2 cts.			
7312-1	Grass seeds, n.o.p., except mixed.....	per pound	Free	Free	2 cts.	1½ cts.	1½ cts.	15 p.c. ad valorem
7313-1	Mixed grass seeds.....	per pound	1½ cts.	1½ cts.	2 cts.	1½ cts.	1½ cts.	15 p.c. ad valorem
7320-1	Cotton seed.....		Free	Free	10 p.c.	Free	Free	10 p.c.
7325-1	Broom corn seed, when in packages weighing more than one pound each.....		Free	Free	15 p.c.	Free	Free	15 p.c.



Tariff Item	—	Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
7400-1	Seeds, when in packages weighing more than one pound each, namely: parsley, parsnip, beet (not including sugar beet), mangel, turnip, radish, leek, lettuce, carrot, borecole (kale), cabbage, cucumber, tomato, pepper, cauliflower and onion. . . . per pound	Free	Free	5 cts.	Free Free Free Free Free	2 cts. 2 cts. 4 cts. 7½ cts. 12½ cts. 15 cts.	5 cts. 10 cts. 10 cts. 25 cts. 25 cts. 25 cts.
7610-1	Root, garden and other seeds, n.o.p., when in packages weighing more than one pound each. . . . per pound	Free	Free	10 cts.	Free	2½ cts.	10 cts.
7615-1	Seeds, namely: Field, root, garden and other seeds, when in packages weighing one pound each, or less. . .	15 p.c.	15 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
7625-1	Seeds, namely: Canary and celery, when in packages weighing more than one pound each, imported for use exclusively in manufacturing or blending operations. . . . .	Free	Free	10 p.c.	5 p.c.	5 p.c.	10 p.c.
7705-1	Cocoa beans, not crushed or ground. . . . . per one hundred pounds	Free	Free	\$3.00	Free 15 p.c.	\$1.00 20 p.c.	\$3.00 25 p.c.
7710-1	Vanilla beans, crude only. . . . .	Free	Free	10 p.c.	Free	2½ p.c.	10 p.c.
	Florist stock, namely:						
7801-1	Palms, ferns, rubber plants (Ficus), cannas, dahlias, paeonias, rhododendrons, pot-grown lilacs, araucarias and laurels. . . . .	Free	Free	20 p.c.	15 p.c. Free	17½ p.c. 12½ p.c.	25 p.c. 20 p.c.
7802-1	Gladiolus. . . . .	15 p.c.	17½ p.c.	25 p.c.	15 p.c.	17½ p.c.	25 p.c.

7803-1	Azaleas; hydrangeas and other pot-grown plants, n.o.p.; rose stock and other stock for grafting or budding, n.o.p.; seedling carnation stock, bulbs, corms, tubers, rhizomes and dormant roots, n.o.p.; Dwarf Polyantha rose bushes imported or purchased in bond in Canada by florists for <i>bona fide</i> forcing purposes in their own greenhouses prior to disposal.....	Free	12½ p.c.	20 p.c.	Free	12½ p.c.	20 p.c.
7850-1	Laurel foliage and holly foliage, natural or preserved, whether in designs or bouquets or not.....	Free	12½ p.c.	20 p.c.	Free	12½ p.c.	20 p.c.
8101-1	Trees, n.o.p., namely: Apple.....	each Free	Free	3 cts.	Free Free	3 cts. 6 cts.	3 cts. 7½ cts.
8102-1	Plum and cherry.....	each Free	Free	3 cts.	Free Free	3 cts. 8 cts.	3 cts. 9 cts.
8103-1	Pear, apricot and quince.....	each Free	Free	9 cts.	Free	8 cts.	9 cts.
8104-1	Peach, including June buds.....	each Free	Free	6 cts.	Free	5 cts.	6 cts.
8205-1	Grape vines, gooseberry and currant bushes or roots.....	each Free	Free	2½ cts.	Free	2 cts.	2½ cts.
8210-1	Raspberry, loganberry and blackberry bushes or roots.....	each Free	Free	1 ct.	Free	1 ct.	1 ct.
8215-1	Rhubarb roots.....	each Free	Free	1 ct.	Free	¾ ct.	1 ct.
8220-1	Asparagus roots.....	each Free	Free	¼ ct.	Free	1/5 ct.	¼ ct.
8225-1	Strawberry plants.....	each Free	Free	¼ ct.	Free	¼ ct.	¼ ct.
8235-1	Trees, shrubs, vines, plants, roots and cuttings, for propagation or growing purposes, n.o.p.....	Free	Free	30 p.c.	12½ p.c.	12½ p.c.	30 p.c.
8315-1	Sweet potatoes, n.o.p.....	per pound Free	Free	2½ cts.	Free	1½ cts.	2½ cts.
8505-1	Mushrooms, preserved, n.o.p.....	Free	12½ p.c.	30 p.c.	Free	12½ p.c.	30 p.c.

Note: The free rate will in future apply for an additional month, i.e. May.



Tariff Item	—	Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
8507-1	Mushrooms, dried.....	Free	12 p.c.	30 p.c.	Free	12½ p.c.	30 p.c.
	on and after January 1, 1969	Free	11½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	11 p.c.	30 p.c.			
	on and after January 1, 1971	Free	10½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	10 p.c.	30 p.c.			
8510-1	Truffles, fresh, dried or otherwise preserved.....	Free	Free	30 p.c.	Free	10 p.c.	30 p.c.
	Vegetables, fresh, in their natural state, the weight of the packages to be included in the weight for duty:						
8705-1	Brussels sprouts.....per pound	Free	3 cts. or 10 p.c. or Free	3 cts. or 10 p.c. or Free	Free	3 cts. or 10 p.c.	3 cts. or 10 p.c.
	The Free rate shall apply during the months of January, February, March, April, May and June.						
	During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 16 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.						
8707-1	Carrots.....per pound	Free	0.9 ct. or Free	1 ct. or Free	Free	1 ct. or Free	1 ct. or Free
	on and after January 1, 1969, per pound	Free	0.8 ct. or Free	1 ct. or Free			
	on and after January 1, 1970, per pound	Free	0.7 ct. or Free	1 ct. or Free			
	on and after January 1, 1971, per pound	Free	0.6 ct. or Free	1 ct. or Free			
	on and after January 1, 1972, per pound	Free	0.5 ct. or Free	1 ct. or Free			
	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 40 weeks which may be divided into two separate periods, and the Free rate shall apply whenever the specific duty is not in effect.						

8708-1	Cauliflower.....per pound	Free	$\frac{3}{4}$ ct. or 10 p.c. or Free	$\frac{3}{4}$ ct. or 10 p.c. or Free	Free	$\frac{3}{4}$ ct. or 10 p.c. or Free	$\frac{3}{4}$ ct. or 10 p.c. or Free
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The Free rate shall apply during the months of January, February, March, April and May.

During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 20 weeks which may be divided into two separate periods, and the 10 per cent duty shall apply whenever the specific duty is not in effect.

Note: The Free rate will in future apply for an additional month, i.e. May.

8710-1	Corn on the cob.....per pound	Free	1 $\frac{1}{2}$ cts. or Free	1 $\frac{1}{2}$ cts. or Free	Free	1 $\frac{1}{2}$ cts. or 10 p.c.	1 $\frac{1}{2}$ cts. or 10 p.c.
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In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 12 weeks, and the Free rate shall apply whenever the specific duty is not in effect.

8713-1	Eggplant.....	10 p.c. or Free	10 p.c. or Free	30 p.c. or Free	10 p.c.	10 p.c.	30 p.c.
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In any 12 month period ending 31st March, the ad valorem duty shall not be maintained in force in excess of 8 weeks, and the Free rate shall apply whenever the ad valorem duty is not in effect.

8718-1	Parsley.....	Free	10 p.c. or Free	30 p.c. or Free	Free	10 p.c.	30 p.c.
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In any 12 month period ending 31st March, the ad valorem duty shall not be maintained in force in excess of 16 weeks, and the Free rate shall apply whenever the ad valorem duty is not in effect.

8719-1	Parsnips.....per pound	Free	0.8 ct. or 8 p.c.	0.8 ct. or 8 p.c.	Free	1 ct. or 10 p.c.	1 ct. or 10 p.c.
	on and after January 1, 1969, per pound	Free	0.6 ct. or 6 p.c.	0.6 ct. or 6 p.c.			
	on and after January 1, 1970, per pound	Free	0.4 ct. or 4 p.c.	0.4 ct. or 4 p.c.			
	on and after January 1, 1971, per pound	Free	0.2 ct. or 2 p.c.	0.2 ct. or 2 p.c.			
	on and after January 1, 1972	Free	Free	Free			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
8719-1 (Cont'd)	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 36 weeks which may be divided into two separate periods, and the ad valorem duty shall apply whenever the specific duty is not in effect.						
8720-1	Peas, green.....per pound	Free	2 cts. or 10 p.c. or Free	2 cts. or 10 p.c. or Free	Free	2 cts. or 10 p.c.	2 cts. or 10 p.c.
	The Free rate shall apply during the months of October, November, December, January, February, March and April.						
	During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 12 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.						
8725-1	Watercress.....	Free	Free	30 p.c.	Free	10 p.c.	30 p.c.
8726-1	Whitloof or endive.....	8 p.c.	8 p.c.	30 p.c.	10 p.c.	10 p.c.	30 p.c.
	on and after January 1, 1969	6 p.c.	6 p.c.	30 p.c.			
	on and after January 1, 1970	4 p.c.	4 p.c.	30 p.c.			
	on and after January 1, 1971	2 p.c.	2 p.c.	30 p.c.			
	on and after January 1, 1972	Free	Free	30 p.c.			
8727-1	Broccoli.....	Free	10 p.c. or Free	30 p.c. or Free	Free	10 p.c.	30 p.c.
	In any 12 month period ending 31st March, the ad valorem duty shall not be maintained in force in excess of 16 weeks, and the Free rate shall apply whenever the ad valorem duty is not in effect.						

8728-1	Green onions.....per pound	Free	1½ cts. or 9 p.c.	1½ cts. or 10 p.c.	Free	1½ cts. or 10 p.c.	1½ cts. or 10 p.c.
	on and after January 1, 1969, per pound	Free	1½ cts. or 8 p.c.	1½ cts. or 10 p.c.			
	on and after January 1, 1970, per pound	Free	1½ cts. or 7 p.c.	1½ cts. or 10 p.c.			
	on and after January 1, 1971, per pound	Free	1½ cts. or 6 p.c.	1½ cts. or 10 p.c.			
	on and after January 1, 1972, per pound	Free	1½ cts. or 5 p.c.	1½ cts. or 10 p.c.			

In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 44 weeks which may be divided into two separate periods, and the ad valorem duty shall apply whenever the specific duty is not in effect.

8729-1	Radishes.....	Free	10 p.c. or Free	30 p.c. or Free	Free	10 p.c.	30 p.c.
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In any 12 month period ending 31st March, the ad valorem duty shall not be maintained in force in excess of 26 weeks, and the Free rate shall apply whenever the ad valorem duty is not in effect.

8730-1	Turnips.....	Free	8 p.c.	30 p.c.	Free	10 p.c.	30 p.c.
	on and after January 1, 1969	Free	6 p.c.	30 p.c.			
	on and after January 1, 1970	Free	4 p.c.	30 p.c.			
	on and after January 1, 1971	Free	2 p.c.	30 p.c.			
	on and after January 1, 1972	Free	Free	30 p.c.			
8731-1	N.o.p.....	Free	8 p.c.	30 p.c.	Free	10 p.c.	30 p.c.
	on and after January 1, 1969	Free	6 p.c.	30 p.c.			
	on and after January 1, 1970	Free	4 p.c.	30 p.c.			
	on and after January 1, 1971	Free	2 p.c.	30 p.c.			
	on and after January 1, 1972	Free	Free	30 p.c.			

When the beans (green), beets, Brussels sprouts, carrots, cauliflower, corn on the cob, lettuce or peas specified in items 8703-1, 8704-1, 8705-1, 8707-1, 8708-1, 8710-1, 8715-1, and 8720-1, are subject to the specific rates of duty and are imported in packages weighing five pounds or less, each, they shall be subject to an additional duty of.....

Free	5 p.c.	10 p.c.	Free	5 p.c.	10 p.c.
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Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates			
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
Vegetables, frozen:							
9003-1	Sweet potatoes.....	Free	Free	30 p.c.	10 p.c.	17½ p.c.	30 p.c.
9004-1	N.o.p.....	10 p.c.	17½ p.c.	30 p.c.	10 p.c.	17½ p.c.	30 p.c.
9010-1	Vegetables, dried, desiccated, or dehydrated, including vegetable flour, n.o.p.....	15 p.c.	17½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
9015-1	Vegetables, pickled or preserved in salt, brine, oil or in any other manner, n.o.p.....	12½ p.c.	17½ p.c.	35 p.c.	12½ p.c.	20 p.c.	35 p.c.
9020-1	Vegetable juices, n.o.p., liquid mustards, soy and vegetable sauces of all kinds.....	12½ p.c.	17½ p.c.	35 p.c.	12½ p.c.	20 p.c.	35 p.c.
9021-1	Tomato juice.....	12½ p.c.	20 p.c.	35 p.c.	12½ p.c.	20 p.c.	35 p.c.
9025-1	Vegetable pastes and hash and all similar products composed of vegetables and meat or fish, or both, n.o.p.....	7½ p.c.	17½ p.c.	35 p.c.	7½ p.c.	20 p.c.	35 p.c.
9030-1	Potatoes, pre-cooked, without admixture beyond the addition of preservatives, in powder, flake or granular form.....	17 p.c.	17 p.c.	25 p.c.	17½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	16½ p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1970	16 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1971	15½ p.c.	15½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
9032-1	Potatoes, pre-cooked, with admixture beyond the addition of preservatives.....	15 p.c.	19½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			
9035-1	Vegetable materials for use as flavourings.....	7½ p.c.	7½ p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.

9036-1	Vegetable materials for use as colourings.....	10 p.c.	10 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
9040-1	Dried herbs in a crude state, not advanced in value or condition by grinding or refining or by any other process of manufacture, namely: Basil, bay laurel (larus nobilis), marjoram, mint, oregano, rosemary, sage, savory, tarragon and thyme.....	Free	Free	25 p.c.	Free	5 p.c.	25 p.c.
9045-1	Okra, sliced and salted.....	Free	Free	35 p.c.	Free	5 p.c.	35 p.c.
9100-1	Soups, soup rolls, tablets, cubes, or other soup preparations, n.o.p.....	15 p.c.	19½ p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	35 p.c.	Free	15 p.c.	30 p.c.
	on and after January 1, 1971	15 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.	Free	5 p.c.	30 p.c.
	Fruits, fresh, in their natural state, the weight of the packages to be included in the weight for duty:						
9201-1	Apricots..... per pound	Free	1½ cts. or Free	1½ cts. or Free	Free	1½ cts. or 10 p.c.	1½ cts. or 10 p.c.
	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 10 weeks, and the Free rate shall apply whenever the specific duty is not in effect.						
9202-1	Cherries, sour..... per pound	Free	3 cts. or Free	3 cts. or Free	Free	3 cts. or 10 p.c.	3 cts. or 10 p.c.
	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 10 weeks, and the Free rate shall apply whenever the specific duty is not in effect.						
9204-1	Cranberries.....	Free	9 p.c.	10 p.c.	Free	10 p.c.	10 p.c.
	on and after January 1, 1969	Free	8 p.c.	10 p.c.		or 2 cts.	or 2 cts.
	on and after January 1, 1970	Free	7 p.c.	10 p.c.		per pound	per pound
	on and after January 1, 1971	Free	6 p.c.	10 p.c.			
	on and after January 1, 1972	Free	5 p.c.	10 p.c.			
9205-1	Peaches..... per pound	Free	1½ cts. or 10 p.c. or Free	1½ cts. or 10 p.c. or Free	Free	1½ cts. or 10 p.c.	1½ cts. or 10 p.c.



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
9205-1 (Cont'd)	<p>The Free rate shall apply during the months of November, December, January, February, March and April.</p> <p>During the remaining months in any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 14 weeks, and the 10 per cent duty shall apply whenever the specific duty is not in effect.</p>						
9207-1	Plums.....	Free	10 p.c. or Free	10 p.c. or Free	Free	10 p.c. or Free or 1 ct. lb.	10 p.c. or Free or 1 ct. lb.
	<p>In any 12 month period ending 31st March, the 10 per cent duty shall not be maintained in force in excess of 12 weeks, and the Free rate shall apply whenever the 10 per cent duty is not in effect.</p>						
9208-1	Prune plums..... per pound	Free	1½ cts. or Free	1½ cts. or Free	Free	1½ cts. or 10 p.c.	1½ cts. or 10 p.c.
	<p>In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 12 weeks, and the Free rate shall apply whenever the specific duty is not in effect.</p>						
9209-1	Quinces and nectarines.....	Free	Free	20 p.c.	Free	10 p.c.	20 p.c.
9212-1	Berries, edible, n.o.p.....	Free	8 p.c.	20 p.c.	Free	10 p.c.	20 p.c.
	on and after January 1, 1969	Free	6 p.c.	20 p.c.			
	on and after January 1, 1970	Free	4 p.c.	20 p.c.			
	on and after January 1, 1971	Free	2 p.c.	20 p.c.			
	on and after January 1, 1972	Free	Free	20 p.c.			
9300-1	Apples, fresh, in their natural state, the weight of the packages to be included in the weight for duty.....	Free	0.20 ct.	1 ct.	Free	0.25 ct.	20 p.c. ad valorem
	..... per pound	Free	0.15 ct.	1 ct.			
	on and after January 1, 1969, per pound	Free	0.10 ct.	1 ct.			
	on and after January 1, 1970, per pound	Free					

	on and after January 1, 1971, per pound	Free	0.05 ct.	1 ct.			
	on and after January 1, 1972, per pound	Free	Free	1 ct.			
	Grapes, fresh, in their natural state, the weight of the packages to be included in the weight for duty:						
9402-1	Vitis Labrusca species.....per pound	Free	1 ct. or Free	1 ct. or Free	Free	1 ct. or 10 p.c.	1 ct. or 10 p.c.
	In any 12 month period ending 31st March, the specific duty shall not be maintained in force in excess of 15 weeks, and the Free rate shall apply whenever the specific duty is not in effect.						
9510-1	Passion fruit (passiflora edulis).....	Free	Free	20 p.c.	Free	15 p.c.	20 p.c.
9915-1	Raisins.....per pound	Free	2.7 cts.	4 cts.	Free	3 cts.	4 cts.
	on and after January 1, 1969, per pound	Free	2.4 cts.	4 cts.			
	on and after January 1, 1970, per pound	Free	2.1 cts.	4 cts.			
	on and after January 1, 1971, per pound	Free	1.8 cts.	4 cts.			
	on and after January 1, 1972, per pound	Free	1.5 cts.	4 cts.			
	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.						
9935-1	Dates, n.o.p.....per pound	0.8 ct.	1.2 cts.	2.5 cts.	1 ct.	1.5 cts.	2.5 cts.
	on and after January 1, 1969, per pound	0.6 ct.	0.9 ct.	2.5 cts.			
	on and after January 1, 1970, per pound	0.4 ct.	0.6 ct.	2.5 cts.			
	on and after January 1, 1971, per pound	0.2 ct.	0.3 ct.	2.5 cts.			
	on and after January 1, 1972, per pound	Free	Free	2.5 cts.			
	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.						
9945-1	Apricots, nectarines, pears and peaches, dried, desiccated, evaporated or dehydrated.....	Free	12 p.c.	25 p.c.	Free	15 p.c.	25 p.c.
	on and after January 1, 1969	Free	9 p.c.	25 p.c.			
	on and after January 1, 1970	Free	6 p.c.	25 p.c.			
	on and after January 1, 1971	Free	3 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
9950-1	Dried currants.....per pound	Free	3.6 cts.	4 cts.	Free	4 cts.	4 cts.
	on and after January 1, 1969, per pound	Free	3.2 cts.	4 cts.			
	on and after January 1, 1970, per pound	Free	2.8 cts.	4 cts.			
	on and after January 1, 1971, per pound	Free	2.4 cts.	4 cts.			
	on and after January 1, 1972, per pound	Free	2.0 cts.	4 cts.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
9950-1 (Cont'd)	When in packages weighing two pounds each, or less, the weight of such packages to be included in the weight for duty.						
10200-1	Limes.....	Free	Free	15 p.c.	Free	15 p.c.	15 p.c.
10500-1	Fruit pulp, with sugar or not, n.o.p., and fruits, crushed.....per pound	1½ cts.	1½ cts.	3 cts.	1½ cts.	2 cts.	3 cts.
10520-1	Cherries, sulphured or in brine, not bottled.....	10 p.c.	14½ p.c.	30 p.c.	10 p.c.	15 p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	14 p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	13½ p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	13 p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	12½ p.c.	30 p.c.			
10525-1	Fruits and nuts, pickled or preserved in salt, brine, oil, or any other manner, n.o.p.....	19½ p.c.	23½ p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
10535-1	Fruits and peels, crystallized, glacé, candied or drained; cherries and other fruits of crème de menthe, maraschino or other flavour.....	19 p.c.	23 p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	18 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1970	17 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
10540-1	Oranges, grapefruit, or lemons, sliced or in the form of pulp, with or without the addition of preservatives.....	Free	4 p.c.	35 p.c.	Free	5 p.c.	35 p.c.
	on and after January 1, 1969	Free	3 p.c.	35 p.c.			
	on and after January 1, 1970	Free	2 p.c.	35 p.c.			
	on and after January 1, 1971	Free	1 p.c.	35 p.c.			
	on and after January 1, 1972	Free	Free	35 p.c.			

10545-1	Preserved ginger.....	17½ p.c.	17½ p.c.	35 p.c.	25 p.c.	35 p.c.	35 p.c.
10550-1	Zucca melons, peeled or sliced, sulphured or in brine, for use in Canadian manufactures.....	5 p.c.	5 p.c.	35 p.c.	10 p.c.	10 p.c.	35 p.c.
10555-1	Pineapples, mint flavoured, prepared, in air-tight cans or other air-tight containers, the weight of the containers to be included in the weight for duty.....						
	..... per pound	Free	1.0 ct.	5 cts.	1 ct.	2 cts.	5 cts.
	on and after January 1, 1970, per pound	Free	0.8 ct.	5 cts.			
	on and after January 1, 1971, per pound	Free	0.4 ct.	5 cts.			
	on and after January 1, 1972, per pound	Free	Free	5 cts.			
	Fruits, prepared, in air-tight cans or other air-tight containers, the weight of the containers to be included in the weight for duty:						
10605-1	Pineapples..... per pound	Free	1.0 ct.	5 cts.	1 ct.	2 cts.	5 cts.
	on and after January 1, 1970, per pound	Free	0.8 ct.	5 cts.			
	on and after January 1, 1971, per pound	Free	0.4 ct.	5 cts.			
	on and after January 1, 1972, per pound	Free	Free	5 cts.			
	Fruits, frozen:						
10701-1	Blueberries..... per pound	1.00 ct.	1.40 cts.	3 cts.	1.25 cts.	1.75 cts.	3 cts.
	on and after January 1, 1969, per pound	0.75 ct.	1.05 cts.	3 cts.			
	on and after January 1, 1970, per pound	0.50 ct.	0.70 ct.	3 cts.			
	on and after January 1, 1971, per pound	0.25 ct.	0.35 ct.	3 cts.			
	on and after January 1, 1972, per pound	Free	Free	3 cts.			
10900-1	Nuts of all kinds, n.o.p., shelled, or not... per pound	Free	Free	3 cts.	1 ct.	1 ct.	3 cts.
11000-1	Cocoanuts..... per one hundred	Free	Free	75 cts.	Free	50 cts.	75 cts.
11300-1	Cocconut, desiccated, sweetened or not... per pound	Free	1 ct.	6 cts.	2 cts.	3 cts.	6 cts.
11500-1	Mackerel, herring, salmon and all other fish, n.o.p., fresh, salted, pickled, smoked, dried or boneless... per pound	0.4 ct.	0.4 ct.	1 ct.	0.5 ct.	0.5 ct.	1 ct.
	on and after January 1, 1969, per pound	0.3 ct.	0.3 ct.	1 ct.			
	on and after January 1, 1970, per pound	0.2 ct.	0.2 ct.	1 ct.			
	on and after January 1, 1971, per pound	0.1 ct.	0.1 ct.	1 ct.			
	on and after January 1, 1972, per pound	Free	Free	1 ct.			



Tariff Item		Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
11600-1	Halibut, fresh, pickled or salted . . . . . per pound	0.4 ct.	0.4 ct.	2 cts.	0.5 ct.	0.5 ct.	2 cts.
	on and after January 1, 1969, per pound	0.3 ct.	0.3 ct.	2 cts.			
	on and after January 1, 1970, per pound	0.2 ct.	0.2 ct.	2 cts.			
	on and after January 1, 1971, per pound	0.1 ct.	0.1 ct.	2 cts.			
	on and after January 1, 1972, per pound	Free	Free	2 cts.			
	Sardines, sprats or pilchards, packed in oil or otherwise, in sealed tin containers, the weight of the tin container to be included in the weight for duty:						
11901-1	When weighing over twenty ounces and not over thirty-six ounces each . . . . . per box	3.15 cts.	3.15 cts.	6 cts.	3.5 cts.	3.5 cts.	6 cts.
	on and after January 1, 1969, per box	2.80 cts.	2.80 cts.	6 cts.			
	on and after January 1, 1970, per box	2.45 cts.	2.45 cts.	6 cts.			
	on and after January 1, 1971, per box	2.10 cts.	2.10 cts.	6 cts.			
	on and after January 1, 1972, per box	1.75 cts.	1.75 cts.	6 cts.			
11902-1	When weighing over twelve ounces and not over twenty ounces each . . . . . per box	2.3 cts.	2.7 cts.	4.5 cts.	2.5 cts.	3.0 cts.	4.5 cts.
	on and after January 1, 1969, per box	2.1 cts.	2.4 cts.	4.5 cts.			
	on and after January 1, 1970, per box	1.9 cts.	2.1 cts.	4.5 cts.			
	on and after January 1, 1971, per box	1.7 cts.	1.8 cts.	4.5 cts.			
	on and after January 1, 1972, per box	1.5 cts.	1.5 cts.	4.5 cts.			
11903-1	When weighing over eight ounces and not over twelve ounces each . . . . . per box	1.8 cts.	1.8 cts.	3.5 cts.	2 cts.	2 cts.	3.5 cts.
	on and after January 1, 1969, per box	1.6 cts.	1.6 cts.	3.5 cts.			
	on and after January 1, 1970, per box	1.4 cts.	1.4 cts.	3.5 cts.			
	on and after January 1, 1971, per box	1.2 cts.	1.2 cts.	3.5 cts.			
	on and after January 1, 1972, per box	1 ct.	1 ct.	3.5 cts.			
11904-1	When weighing eight ounces each or less . . . per box	1.15 cts.	1.35 cts.	2.5 cts.	1.25 cts.	1.5 cts.	2.5 cts.
	on and after January 1, 1969, per box	1.05 cts.	1.20 cts.	2.5 cts.			
	on and after January 1, 1970, per box	0.95 ct.	1.05 cts.	2.5 cts.			
	on and after January 1, 1971, per box	0.85 ct.	0.90 ct.	2.5 cts.			
	on and after January 1, 1972, per box	0.75 ct.	0.75 ct.	2.5 cts.			

Anchovies, packed in oil or otherwise, in sealed tin containers, the weight of the tin container to be included in the weight for duty:

12001-1	When weighing over twenty ounces and not over thirty-six ounces each.....per box	2.7 cts.	2.7 cts.	6 cts.	3 cts.	3 cts.	6 cts.
	on and after January 1, 1969, per box	2.4 cts.	2.4 cts.	6 cts.			
	on and after January 1, 1970, per box	2.1 cts.	2.1 cts.	6 cts.			
	on and after January 1, 1971, per box	1.8 cts.	1.8 cts.	6 cts.			
	on and after January 1, 1972, per box	1.5 cts.	1.5 cts.	6 cts.			
12002-1	When weighing over twelve ounces and not over twenty ounces each.....per box	2½ cts.	2½ cts.	4½ cts.	2½ cts.	2½ cts.	4½ cts.
	on and after January 1, 1969, per box	2 cts.	2 cts.	4½ cts.			
	on and after January 1, 1970, per box	1½ cts.	1½ cts.	4½ cts.			
	on and after January 1, 1971, per box	1½ cts.	1½ cts.	4½ cts.			
	on and after January 1, 1972, per box	1½ cts.	1½ cts.	4½ cts.			
12003-1	When weighing over eight ounces and not over twelve ounces each.....per box	1.35 cts.	1.35 cts.	3.5 cts.	1.5 cts.	1.5 cts.	3.5 cts.
	on and after January 1, 1969, per box	1.20 cts.	1.20 cts.	3.5 cts.			
	on and after January 1, 1970, per box	1.05 cts.	1.05 cts.	3.5 cts.			
	on and after January 1, 1971, per box	0.90 ct.	0.90 ct.	3.5 cts.			
	on and after January 1, 1972, per box	0.75 ct.	0.75 ct.	3.5 cts.			
12004-1	When weighing eight ounces each or less....per box	0.9 ct.	0.9 ct.	2.5 cts.	1 ct.	1 ct.	2.5 cts.
	on and after January 1, 1969, per box	0.8 ct.	0.8 ct.	2.5 cts.			
	on and after January 1, 1970, per box	0.7 ct.	0.7 ct.	2.5 cts.			
	on and after January 1, 1971, per box	0.6 ct.	0.6 ct.	2.5 cts.			
	on and after January 1, 1972, per box	0.5 ct.	0.5 ct.	2.5 cts.			
12105-1	Bonito preserved in oil.....	14 p.c.	16 p.c.	35 p.c.	15 p.c.	17½ p.c.	35 p.c.
	on and after January 1, 1969	13 p.c.	14½ p.c.	35 p.c.			
	on and after January 1, 1970	12 p.c.	13 p.c.	35 p.c.			
	on and after January 1, 1971	11 p.c.	11½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	10 p.c.	35 p.c.			
12200-1	Herring (not including kippered herring in sealed containers) packed in oil or otherwise, in sealed containers.....	14½ p.c.	22½ p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	14 p.c.	20 p.c.	35 p.c.			
	on and after January 1, 1970	13½ p.c.	17½ p.c.	35 p.c.			
	on and after January 1, 1971	13 p.c.	15 p.c.	35 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
Fish, prepared or preserved, n.o.p.:							
12301-1	Kipperd herring in sealed containers.....	15 p.c.	15 p.c.	30 p.c.	17½ p.c.	17½ p.c.	30 p.c.
	on and after January 1, 1969	13 p.c.	13 p.c.	30 p.c.			
	on and after January 1, 1970	11 p.c.	11 p.c.	30 p.c.			
	on and after January 1, 1971	9 p.c.	9 p.c.	30 p.c.			
	on and after January 1, 1972	8 p.c.	8 p.c.	30 p.c.			
12302-1	Salmon.....	13½ p.c.	13½ p.c.	30 p.c.	15 p.c.	15 p.c.	30 p.c.
	on and after January 1, 1969	12 p.c.	12 p.c.	30 p.c.			
	on and after January 1, 1970	10½ p.c.	10½ p.c.	30 p.c.			
	on and after January 1, 1971	9 p.c.	9 p.c.	30 p.c.			
	on and after January 1, 1972	7½ p.c.	7½ p.c.	30 p.c.			
12303-1	All other fish, n.o.p.....	15 p.c.	20 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	14 p.c.	17½ p.c.	30 p.c.			
	on and after January 1, 1970	13 p.c.	15 p.c.	30 p.c.			
	on and after January 1, 1971	12 p.c.	12½ p.c.	30 p.c.			
	on and after January 1, 1972	11 p.c.	11 p.c.	30 p.c.			
12400-1	Shell fish, fresh, n.o.p.....	10 p.c.	14 p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	7½ p.c.	10½ p.c.	25 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	25 p.c.			
	on and after January 1, 1971	2½ p.c.	3½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
12405-1	Shell fish, prepared or preserved, n.o.p.....	15 p.c.	15 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	14 p.c.	14 p.c.	30 p.c.	17½ p.c.	17½ p.c.	30 p.c.
	on and after January 1, 1970	13 p.c.	13 p.c.	30 p.c.			
	on and after January 1, 1971	12 p.c.	12 p.c.	30 p.c.			
	on and after January 1, 1972	11 p.c.	11 p.c.	30 p.c.			
12505-1	Oysters, prepared or preserved; oysters in the shell....	13½ p.c.	13½ p.c.	25 p.c.	15 p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	12 p.c.	12 p.c.	25 p.c.			
	on and after January 1, 1970	10½ p.c.	10½ p.c.	25 p.c.			
	on and after January 1, 1971	9 p.c.	9 p.c.	25 p.c.			
	on and after January 1, 1972	7½ p.c.	7½ p.c.	25 p.c.			

12600-1	Clams in sealed containers.....	17½ p.c.	36 p.c.	40 p.c.	17½ p.c.	40 p.c.	40 p.c.
	on and after January 1, 1969	17½ p.c.	32 p.c.	40 p.c.			
	on and after January 1, 1970	17½ p.c.	28 p.c.	40 p.c.			
	on and after January 1, 1971	17½ p.c.	24 p.c.	40 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	40 p.c.			
12700-1	Crustaceans, fresh, n.o.p.; crustaceans, prepared or preserved, n.o.p.....	11 p.c.	15 p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	10 p.c.	13 p.c.	25 p.c.			
	on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1971	8 p.c.	9 p.c.	25 p.c.			
	on and after January 1, 1972	8 p.c.	8 p.c.	25 p.c.			
12805-1	Lobsters, prepared or preserved.....	15 p.c.	20 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	14 p.c.	17½ p.c.	30 p.c.			
	on and after January 1, 1970	13 p.c.	15 p.c.	30 p.c.			
	on and after January 1, 1971	12 p.c.	12½ p.c.	30 p.c.			
	on and after January 1, 1972	11 p.c.	11 p.c.	30 p.c.			
12900-1	Crabs in sealed containers.....	17 p.c.	27 p.c.	40 p.c.	17½ p.c.	30 p.c.	40 p.c.
	on and after January 1, 1969	17 p.c.	24 p.c.	40 p.c.			
	on and after January 1, 1970	17 p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	40 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	40 p.c.			
13000-1	Shrimp.....	4 p.c.	4 p.c.	25 p.c.	5 p.c.	5 p.c.	25 p.c.
	on and after January 1, 1969	3 p.c.	3 p.c.	25 p.c.			
	on and after January 1, 1970	2 p.c.	2 p.c.	25 p.c.			
	on and after January 1, 1971	1 p.c.	1 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
13300-1	All other articles the produce of the fisheries, n.o.p.....	11 p.c.	15 p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	10 p.c.	13 p.c.	25 p.c.			
	on and after January 1, 1970	9 p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1971	8 p.c.	9 p.c.	25 p.c.			
	on and after January 1, 1972	8 p.c.	8 p.c.	25 p.c.			
13303-1	Fish solubles.....	10 p.c.	14 p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	7½ p.c.	10½ p.c.	25 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	25 p.c.			
	on and after January 1, 1971	2½ p.c.	3½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			



Tariff Item		Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
13650-1	Syrups, the product of the sugar beet, in which the percentage of the total of reducing sugars after inversion is less than seventy-one per cent of the total solids by weight.....per gallon	4 cts.	5 cts.	7 cts.	5 cts.	6½ cts.	7 cts.
	on and after January 1, 1969, per gallon	3 cts.	3½ cts.	7 cts.			
	on and after January 1, 1970, per gallon	2 cts.	2 cts.	7 cts.			
	on and after January 1, 1971, per gallon	1 ct.	1 ct.	7 cts.			
13800-1	Maple sugar and maple syrup.....	12 p.c.	14 p.c.	20 p.c.	15 p.c.	17½ p.c.	20 p.c.
	on and after January 1, 1969	9 p.c.	10½ p.c.	20 p.c.			
	on and after January 1, 1970	6 p.c.	7 p.c.	20 p.c.			
	on and after January 1, 1971	3 p.c.	3½ p.c.	20 p.c.			
	on and after January 1, 1972	Free	Free	20 p.c.			
14100-1	Sugar candy and confectionery, n.o.p., including sweetened gums, candied popcorn, candied nuts, flavouring powders, custard powders, jelly powders, sweetmeats, sweetened breads, cakes, pies, puddings and all other confections containing sugar....	12½ p.c.	22 p.c.	35 p.c.	12½ p.c.	22½ p.c.	35 p.c. plus ½ ct. per pound
	on and after January 1, 1969	12½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	35 p.c.			
	Tobacco, unmanufactured, for excise purposes under conditions of the Excise Act, subject to such regulations as may be prescribed by the Minister:						
	Of the type commonly known as Turkish:						
14201-1	Unstemmed.....per pound	11 cts.	11 cts.	40 cts.	12 cts.	22 cts.	40 cts.
14202-1	Stemmed.....per pound	20 cts.	20 cts.	60 cts.	30 cts.	40 cts.	60 cts.
	N.o.p.:						
14205-1	Unstemmed, when imported by cigar manufacturers for use as wrappers in the manufacture of cigars in their own factories.....per pound	5 cts.	5 cts.	40 cts.	10 cts.	10 cts.	40 cts.

14210-1	Converted tobacco leaf for use in the manufacture of cigar binders and cigar wrappers.....per pound	75 cts.	75 cts.	\$1.05	75 cts. 90 cts.	75 cts. \$1.05	\$1.05 \$1.05
	The duty under items 14201-1 to 14210-1 inclusive shall be levied on the basis of "Standard leaf tobacco" consisting of ten per cent of water and ninety per cent of solid matter.						
14305-1	Cigars, the weight of the bands and ribbons to be included in the weight for duty.....per pound and	\$1.45 10 p.c.	\$1.45 10 p.c.	\$3.00 20 p.c.	\$1.75 lb. and 15 p.c.	\$1.75 lb. and 15 p.c. and \$1 per thousand under all tariffs	\$3.50 lb. and 25 p.c.
					\$1.50 lb. and 10 p.c.	\$1.50 lb. and 10 p.c. and \$1 per thousand under all tariffs (Present rates include excise duty)	\$3.50 lb. and 25 p.c.
14315-1	Cigarettes.....	25 p.c.	25 p.c.	50 p.c.	\$2 per lb. and 15 p.c.	\$2 per lb. and 15 p.c. (Present rates include excise duty)	\$4.10 per lb. and 25 p.c.
14400-1	Cut tobacco.....per pound	40 cts.	40 cts.	75 cts.	80 cts.	80 cts. (Present rates include excise duty)	\$1.10
14450-1	Snuff.....per pound	40 cts.	55 cts.	55 cts.	75 cts.	90 cts. (Present rates include excise duty)	90 cts.
14500-1	Manufactured tobacco, n.o.p.....per pound	55 cts.	70 cts.	70 cts.	90 cts.	\$1.05 (Present rates include excise duty)	\$1.05
14700-1	Ale, beer, porter and stout.....per gallon	15 cts.	15 cts.	35 cts.	53 cts.	53 cts. (Present rates include excise duty)	73 cts.
14705-1	Beverages in the manufacture of which malt, rice or corn is used, when containing not more than two and one-half per cent of proof spirit.....	20 p.c.	20 p.c.	40 p.c.	25 p.c.	40 p.c.	40 p.c.
	Fruit juices and fruit syrups, n.o.p., namely:						
15201-1	Lime juice.....	Free	Free	25 p.c.	10 p.c.	10 p.c.	25 p.c.
15202-1	Orange juice.....	Free	7 p.c.	25 p.c.	Free	7½ p.c.	25 p.c.
	on and after January 1, 1969	Free	6½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	6 p.c.	25 p.c.			
	on and after January 1, 1971	Free	5½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	5 p.c.	25 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
15203-1	Lemon juice.....	Free	Free	25 p.c.	10 p.c.	10 p.c.	25 p.c.
15204-1	Passion fruit juice.....	Free	Free	25 p.c.	10 p.c.	10 p.c.	25 p.c.
15205-1	Pineapple juice.....	7 p.c.	7 p.c.	25 p.c.	7½ p.c.	7½ p.c.	25 p.c.
		on and after January 1, 1969 6½ p.c.	6½ p.c.	25 p.c.			
		on and after January 1, 1970 6 p.c.	6 p.c.	25 p.c.			
		on and after January 1, 1971 5½ p.c.	5½ p.c.	25 p.c.			
		on and after January 1, 1972 5 p.c.	5 p.c.	25 p.c.			
15206-1	Grapefruit juice.....	Free	7 p.c.	25 p.c.	Free	7½ p.c.	25 p.c.
		on and after January 1, 1969 Free	6½ p.c.	25 p.c.			
		on and after January 1, 1970 Free	6 p.c.	25 p.c.			
		on and after January 1, 1971 Free	5½ p.c.	25 p.c.			
		on and after January 1, 1972 Free	5 p.c.	25 p.c.			
15207-1	Blended orange and grapefruit juice.....	Free	9 p.c.	25 p.c.	Free	10 p.c.	25 p.c.
		on and after January 1, 1969 Free	8 p.c.	25 p.c.			
		on and after January 1, 1970 Free	7 p.c.	25 p.c.			
		on and after January 1, 1971 Free	6 p.c.	25 p.c.			
		on and after January 1, 1972 Free	5 p.c.	25 p.c.			
15209-1	Fruit syrups, n.o.p.....	9 p.c.	9 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
		on and after January 1, 1969 8 p.c.	8 p.c.	25 p.c.			
		on and after January 1, 1970 7 p.c.	7 p.c.	25 p.c.			
		on and after January 1, 1971 6 p.c.	6 p.c.	25 p.c.			
		on and after January 1, 1972 5 p.c.	5 p.c.	25 p.c.			
15215-1	Dehydrated citrus fruit juices with or without stabilizers or sugar.....	2½ p.c.	7 p.c.	25 p.c.	2½ p.c.	7½ p.c.	25 p.c.
		on and after January 1, 1969 2½ p.c.	6½ p.c.	25 p.c.			
		on and after January 1, 1970 2½ p.c.	6 p.c.	25 p.c.			
		on and after January 1, 1971 2½ p.c.	5½ p.c.	25 p.c.			
		on and after January 1, 1972 2½ p.c.	5 p.c.	25 p.c.			

15300-1	Lime juice, raw and concentrated, not refined. . . . .	Free	12 cts.	15 cts.	Free	15 cts.	15 cts.
	.....per gallon	Free	9 cts.	15 cts.			
	on and after January 1, 1969, per gallon	Free	6 cts.	15 cts.			
	on and after January 1, 1970, per gallon	Free	3 cts.	15 cts.			
	on and after January 1, 1971, per gallon	Free	Free	15 cts.			
	on and after January 1, 1972, per gallon	Free	Free	15 cts.			
15605-1	Whiskey.....per gallon of the strength of proof	50 cts.	50 cts.	\$6.00	\$13.50	\$14.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15610-1	Gin.....per gallon of the strength of proof	50 cts.	50 cts.	\$6.00	\$13.50	\$14.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15615-1	Rum, n.o.p.....per gallon of the strength of proof	50 cts.	\$2.00	\$6.00	\$13.50	\$15.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15620-1	Brandy.....per gallon of the strength of proof	\$1.00	\$1.00	\$8.00	\$13.00	\$13.00	\$19.00
						(Present rates include \$11.00 excise duty)	
15625-1	Liqueurs.....per gallon of the strength of proof	50 cts.	50 cts.	\$6.00	\$13.50	\$13.50	\$19.00
						(Present rates include \$13.00 excise duty)	
15627-1	Van der Hum.....per gallon of the strength of proof	Free	50 cts.	\$6.00	\$13.00	\$13.50	\$19.00
						(Present rates include \$13.00 excise duty)	
15630-1	Spirituous or alcoholic liquors, n.o.p.; absinthe, arrack or palm spirit, artificial brandy and imitations of brandy, n.o.p.; cordials of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, and alcoholic bitters or beverages, n.o.p.; and wines, n.o.p., containing more than forty per cent of proof spirit.....per gallon of the strength of proof	\$1.00	\$1.00	\$6.00	\$14.00	\$19.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15635-1	Vodka.....per gallon of the strength of proof	\$1.00	\$1.00	\$6.00	\$14.00	\$15.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15640-1	Tequila.....per gallon of the strength of proof	\$1.00	\$1.00	\$6.00	\$14.00	\$14.00	\$19.00
						(Present rates include \$13.00 excise duty)	
15645-1	Ethyl alcohol for use as a spirituous or alcoholic beverage or for the manufacture of spirituous or alcoholic beverages.....per gallon of the strength of proof	\$1.00	\$1.00	\$6.00	\$14.00	\$19.00	\$19.00
						(Present rates include \$13.00 excise duty)	



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
15650-1 Ethyl alcohol, n.o.p. . . . . .....per gallon of the strength of proof	\$1.00	\$1.00	\$6.00	\$14.00	\$19.00	\$19.00 (Present rates include \$13.00 excise duty)
When the goods specified in items 15605-1, 15610-1, 15615-1, 15620-1, 15625-1, 15627-1, 15630-1, 15635-1, 15640-1, 15645-1 and 15650-1 are of greater or less strength than the strength of proof, the measurement thereof and the amount of duty payable thereon shall be increased or decreased in proportion for any greater or less strength than the strength of proof.						
Alcoholic perfumes:						
16002-1 When in bottles, flasks or other packages, containing more than four ounces each . . . . per gallon and	\$4.00	— 20 p.c.	\$5.00 40 p.c.	\$4.00	\$4.00 22½ p.c.	\$5.00 40 p.c.
Perfumed spirits, bay rum, cologne and lavender waters, lotions, hair, tooth and skin washes, and other toilet preparations containing spirits of any kind:						
16101-1 When in bottles or flasks containing not more than four ounces each . . . . .	20 p.c.	29 p.c.	50 p.c.	20 p.c.	30 p.c.	90 p.c.
on and after January 1, 1969	20 p.c.	28 p.c.	50 p.c.			
on and after January 1, 1970	20 p.c.	27 p.c.	50 p.c.			
on and after January 1, 1971	20 p.c.	26 p.c.	50 p.c.			
on and after January 1, 1972	20 p.c.	25 p.c.	50 p.c.			
16102-1 When in bottles, flasks or other packages, containing more than four ounces each . . . . .	—	25 p.c.	50 p.c.	\$2 gallon	\$2 gallon and 20 p.c.	\$5 gallon and 40 p.c.
or, per gallon	\$2.00			\$3 gallon	\$3 gallon and 20 p.c.	\$5 gallon and 40 p.c.

16800-1	Malt flour containing less than fifty per cent in weight of malt; malt syrup or malt syrup powder, n.o.p.; extracts of malt, fluid or not; grain molasses—all articles in this item upon valuation without British or foreign excise duties, under regulations prescribed by the Minister.....	19 p.c.	24 p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.
	and, per pound		4 cts.	9 cts.		5 cts.	10 cts.
	on and after January 1, 1969	18 p.c.	23 p.c.	35 p.c.			
	and, per pound		3 cts.	6 cts.			
	on and after January 1, 1970	17 p.c.	22 p.c.	35 p.c.			
	and, per pound		2 cts.	4 cts.			
	on and after January 1, 1971	17 p.c.	21 p.c.	35 p.c.			
	and, per pound		1 ct.	2 cts.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
16805-1	Malt syrup, malt syrup powder, or other starch conversion products produced by the action of enzymes on starch, not including any such products used in the brewing of beer.....	19½ p.c.	22 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
17900-1	Labels for cigar boxes, fruits, vegetables, meats, fish, confectionery or other goods or wares; shipping, price or other tags, tickets or labels, and railroad or other tickets, whether lithographed or printed, or partly printed, n.o.p.; the foregoing not including labels of textile fibres or filaments.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
	Tickets issued by railway systems in the British Commonwealth (not including railway systems operating in Canada), shall be exempt from customs duty, when produced in countries entitled to the benefits of the British Preferential Tariff.						
18010-1	Decalcomania transfers of all kinds, n.o.p.....	12½ p.c.	19½ p.c.	22½ p.c.	12½ p.c.	20 p.c.	22½ p.c.
	on and after January 1, 1969	12½ p.c.	19 p.c.	22½ p.c.			
	on and after January 1, 1970	12½ p.c.	18½ p.c.	22½ p.c.			
	on and after January 1, 1971	12½ p.c.	18 p.c.	22½ p.c.			
	on and after January 1, 1972	12½ p.c.	17½ p.c.	22½ p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
18030-1 Plans and drawings, related specifications, any substitute therefor, reproductions of the foregoing, n.o.p.; maps and charts, n.o.p.....	12½ p.c.	19½ p.c.	27½ p.c.	12½ p.c.	20 p.c.	27½ p.c.
on and after January 1, 1969	12½ p.c.	19 p.c.	27½ p.c.			
on and after January 1, 1970	12½ p.c.	18½ p.c.	27½ p.c.			
on and after January 1, 1971	12½ p.c.	18 p.c.	27½ p.c.			
on and after January 1, 1972	12½ p.c.	17½ p.c.	27½ p.c.			
18100-1 Bank notes, bonds, bills of exchange, cheques, promissory notes, drafts and all similar work, unsigned, and cards or other commercial blank forms printed or lithographed, or printed from steel or copper or other plates, and other printed matter, n.o.p.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
18105-1 Pictorial post-cards, greeting cards and similar artistic cards or folders.....	15 p.c.	24 p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c. plus 5 cts. per pound
on and after January 1, 1969	15 p.c.	23 p.c.	35 p.c.			
on and after January 1, 1970	15 p.c.	22 p.c.	35 p.c.			
on and after January 1, 1971	15 p.c.	21 p.c.	35 p.c.			
on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
18700-1 Albumenized and other papers, textile fabrics and films, n.o.p.; all the foregoing chemically prepared for photographers' use.....	Free	19½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	19 p.c.	30 p.c.			
on and after January 1, 1970	Free	18½ p.c.	30 p.c.			
on and after January 1, 1971	Free	18 p.c.	30 p.c.			
on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
19200-1 Tared paper and prepared roofings (including shingles), fibreboard, strawboard, sheathing and insulation, manufactured wholly or in part of vegetable fibres, n.o.p.; blotting paper, not printed nor illustrated.....	15 p.c.	19 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.

	on and after January 1, 1969	15 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
19201-1	Shoeboard, in rolls or sheets, or paper or paperboard, not less than 0.012 inch in thickness.....	13 p.c.	17 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	11 p.c.	14 p.c.	35 p.c.			
	on and after January 1, 1970	9 p.c.	11 p.c.	35 p.c.			
	on and after January 1, 1971	7 p.c.	8 p.c.	35 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	35 p.c.			
19202-1	Beer mat or coaster board, in rolls or sheets, not less than 0.012 inch in thickness, not embossed, not printed and not decorated.....	12 p.c.	16 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	9 p.c.	12 p.c.	35 p.c.			
	on and after January 1, 1970	6 p.c.	8 p.c.	35 p.c.			
	on and after January 1, 1971	3 p.c.	4 p.c.	35 p.c.			
	on and after January 1, 1972	Free	Free	35 p.c.			
19205-1	Pulpboard in rolls not less than nine one-thousandths of an inch in thickness for use in wrapping rolls of paper.....	4 p.c.	4 p.c.	10 p.c.	5 p.c.	5 p.c.	10 p.c.
	on and after January 1, 1969	3 p.c.	3 p.c.	10 p.c.			
	on and after January 1, 1970	2 p.c.	2 p.c.	10 p.c.			
	on and after January 1, 1971	1 p.c.	1 p.c.	10 p.c.			
	on and after January 1, 1972	Free	Free	10 p.c.			
19210-1	Pulpboard in rolls for use in the manufacture of wall-board.....	Free	4 p.c.	5 p.c.	Free	5 p.c.	5 p.c.
	on and after January 1, 1969	Free	3 p.c.	5 p.c.			
	on and after January 1, 1970	Free	2 p.c.	5 p.c.			
	on and after January 1, 1971	Free	1 p.c.	5 p.c.			
	on and after January 1, 1972	Free	Free	5 p.c.			
19215-1	Sandpaper, glass or flint paper, and emery paper or emery cloth.....	12½ p.c.	19½ p.c.	25 p.c.	12½ p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1970	12½ p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1971	12½ p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	17½ p.c.	25 p.c.			
19220-1	Roofing and shingles of saturated felt.....	Free	19 p.c.	35 p.c.	Free	20 p.c.	35 p.c.
	on and after January 1, 1969	Free	18 p.c.	35 p.c.			
	on and after January 1, 1970	Free	17 p.c.	35 p.c.			
	on and after January 1, 1971	Free	16 p.c.	35 p.c.			
	on and after January 1, 1972	Free	15 p.c.	35 p.c.			



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
19235-1 Paperboard or fiberboard, single ply, not coated nor impregnated, in rolls containing not less than five hundred square feet, when imported by manufacturers of impregnated socklining base, inner-soling, welting, or similar materials, for use only in the manufacture of such materials in their own factories.	Free	6 p.c.	25 p.c.	Free	7½ p.c.	25 p.c.
	on and after January 1, 1969 Free	4½ p.c.	25 p.c.			
	on and after January 1, 1970 Free	3 p.c.	25 p.c.			
	on and after January 1, 1971 Free	1½ p.c.	25 p.c.			
	on and after January 1, 1972 Free	Free	25 p.c.			
19240-1 Roofing felt, single ply, not coated or impregnated, in rolls containing not less than 500 square feet, when imported by manufacturers of asphalt roofing (including shingles and siding) for use only in the manufacture of such materials in their own factories.	Free	6 p.c.	25 p.c.	Free	7½ p.c.	25 p.c.
	on and after January 1, 1969 Free	4½ p.c.	25 p.c.			
	on and after January 1, 1970 Free	3 p.c.	25 p.c.			
	on and after January 1, 1971 Free	1½ p.c.	25 p.c.			
	on and after January 1, 1972 Free	Free	25 p.c.			
19300-1 Paper sacks or bags of all kinds, printed or not.	15 p.c.	19 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969 15 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1970 15 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1971 15 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972 15 p.c.	15 p.c.	35 p.c.			
19500-1 Hanging paper, n.o.p., or wall papers, including borders or bordering.	17 p.c.	21 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c. plus 2 cts. per pound
	on and after January 1, 1969 17 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1970 17 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1971 15 p.c.	16½ p.c.	35 p.c.			
	on and after January 1, 1972 15 p.c.	15 p.c.	35 p.c.			
19505-1 Hanging paper, not impregnated, not coated, not surface-coloured, not embossed, not ruled, not lined, not printed and not decorated.	14 p.c.	18 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c. plus 2 cts. per pound
	on and after January 1, 1969 10½ p.c.	13½ p.c.	35 p.c.			

	on and after January 1, 1970	7 p.c.	9 p.c.	35 p.c.			
	on and after January 1, 1971	3½ p.c.	4½ p.c.	35 p.c.			
	on and after January 1, 1972	Free	Free	35 p.c.			
19700-1	Paper of all kinds, n.o.p.....	15 p.c.	21 p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	19½ p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
19702-1	Electric cable insulating paper, n.o.p.....	15 p.c.	19 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
19710-1	Wrapping paper of all kinds, not pasted, coated or embossed.....	17 p.c.	21 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1970	17 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	16½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
19750-1	Printing papers, coated or uncoated, in rolls or rectangular sheets, weighing over 18 pounds per ream of 432,000 square inches.....	14½ p.c.	20½ p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	14 p.c.	18½ p.c.	25 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1970	13½ p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1971	13 p.c.	14½ p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	25 p.c.			
19800-1	Ruled and border and coated papers, boxed papers, pads not printed, papier-mâché ware, n.o.p.....	17 p.c.	21 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1970	17 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	16½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
19802-1	Pots or boxes of pulp or pulpboard for use in growing plants for transplanting purposes, or for protecting plants while growing.....	17 p.c.	17 p.c.	35 p.c.	17½ p.c.	17½ p.c.	35 p.c.
	on and after January 1, 1969	16½ p.c.	16½ p.c.	35 p.c.			
	on and after January 1, 1970	16 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1971	15½ p.c.	15½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
19900-1	Papeteries, envelopes, and all manufactures of paper, n.o.p.....	17 p.c.	21½ p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17 p.c.	20½ p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1970	17 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			
19905-1	Paper milk bottle caps, printed or not.....	15 p.c.	22½ p.c.	27½ p.c.	15 p.c.	25 p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	20 p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	17½ p.c.	27½ p.c.			
19910-1	Containers wholly or partially manufactured from fibreboard or paperboard, n.o.p.....	2 p.c.	19½ p.c.	35 p.c.	4/5 ct. per pound	4/5 ct. per pound;	1½ cts. per pound;
	on and after January 1, 1969	1½ p.c.	19 p.c.	35 p.c.		minimum	minimum
	on and after January 1, 1970	1 p.c.	18½ p.c.	35 p.c.		20 p.c.	35 p.c.
	on and after January 1, 1971	½ p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	35 p.c.			
19911-1	Fibreboard shipping containers.....	2 p.c.	19 p.c.	35 p.c.	4/5 ct. per pound	4/5 ct. per pound;	1½ cts. per pound;
	on and after January 1, 1969	1½ p.c.	18 p.c.	35 p.c.		minimum	minimum
	on and after January 1, 1970	1 p.c.	17 p.c.	35 p.c.		20 p.c.	35 p.c.
	on and after January 1, 1971	½ p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972	Free	15 p.c.	35 p.c.			
19915-1	Waxed stencil paper for use on duplicating machines... on and after January 1, 1969	10 p.c.	21 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1970	10 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	16½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	15 p.c.	35 p.c.			
19930-1	Hand made papers, not to include mould-made deckle-edge papers, valued at not less than 40 cents per pound wholesale.....	10 p.c.	20 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
19945-1	Trays of pulp or pulpboard imported for use exclusively in the packaging of apples in their natural state....	Free	Free	35 p.c.	Free	7½ p.c.	35 p.c.

19960-1	Woven paper fabrics, open mesh, not less than nine feet in width, for use in the manufacture of carpets.	15 p.c.	19 p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
22800-1	Soap powders, powdered soap, mineral soap, and soap, n.o.p.	15 p.c.	19½ p.c.	32½ p.c.	15 p.c.	20 p.c.	32½ p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	32½ p.c.	15 p.c.	22½ p.c.	32½ p.c.
	on and after January 1, 1970	15 p.c.	18½ p.c.	32½ p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	32½ p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	32½ p.c.			
23200-1	Glue, n.o.p.	15 p.c.	22 p.c.	35 p.c.	15 p.c. and 2 cts. lb.	22½ p.c. and 5 cts. lb.	25 p.c. and 5 cts. lb.
	on and after January 1, 1969	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
23205-1	Gelatine, n.o.p.	15 p.c.	22 p.c.	35 p.c.	15 p.c.	22½ p.c.	25 p.c. and 5 cts. lb.
	on and after January 1, 1969	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
23210-1	Vegetable glue	10 p.c.	26 p.c.	35 p.c.	10 p.c.	27½ p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	24½ p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
23215-1	Gelatine, edible	7½ p.c.	22 p.c.	35 p.c.	7½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	7½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	7½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	7½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	7½ p.c.	20 p.c.	35 p.c.			
23230-1	Mucilage and adhesive paste	15 p.c.	20 p.c.	35 p.c.	15 p.c.	20 p.c.	27½ p.c.
	and, per pound	1 ct.	2 cts.		1.5 cts.	2.5 cts.	3 cts.
	on and after January 1, 1969	15 p.c.	20 p.c.	35 p.c.			
	and, per pound	0.5 ct.	1.5 cts.				
	on and after January 1, 1970	15 p.c.	20 p.c.	35 p.c.			
	and, per pound	1 ct.	1 ct.				
	on and after January 1, 1971	15 p.c.	20 p.c.	35 p.c.			
	and, per pound	15 p.c.	0.5 ct.				
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			



Tariff Item		Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
23400-1	Perfumery, including toilet preparations, non-alcoholic, namely; hair oils, tooth and other powders and washes, pomatums, pastes and all other perfumed preparations, n.o.p., used for the hair, mouth or skin	15 p.c.	22 p.c.	40 p.c.	15 p.c.	22½ p.c.	40 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	40 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	40 p.c.			
23500-1	Liquorice fibres, whether or not dried, cleaned, cut to size, ground or sifted.....	Free	Free	15 p.c.	Free	10 p.c.	15 p.c.
23505-1	Liquorice blocks, granules, paste or powder, not sweetened.....	Free	Free	17½ p.c.	Free	12½ p.c.	17½ p.c.
23510-1	Liquorice in rolls or sticks, not sweetened.....	Free	Free	22½ p.c.	Free	15 p.c.	22½ p.c.
25800-1	Linseed or flaxseed oil, raw or boiled.....	Free	10 p.c.	15 p.c.	\$1.25 per cwt.	\$1.55 per cwt.	\$1.65 per cwt.
25805-1	Linseed or flaxseed oil, other than raw or boiled....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
25900-1	Lard oil and neat's foot oil.....	15 p.c.	20 p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	17½ p.c.	25 p.c.			
25915-1	Castor oil, crude.....	Free	Free	15 p.c.	Free	Free	Free
26505-1	Fish oils, n.o.p.....	12½ p.c.	17½ p.c.	22½ p.c.	12½ p.c.	20 p.c.	22½ p.c.
	on and after January 1, 1969	12½ p.c.	15 p.c.	22½ p.c.			
26507-1	Menhaden oil.....	12½ p.c.	15 p.c.	22½ p.c.	12½ p.c.	17½ p.c.	22½ p.c.
26515-1	Halibut liver oil, crude or refined.....	Free	17½ p.c.	22½ p.c.	Free	20 p.c.	22½ p.c.
	on and after January 1, 1969	Free	15 p.c.	22½ p.c.			
26605-1	Tung or china wood oil.....	Free	Free	15 p.c.	Free	Free	Free

27600-1	Mustard seed.....	Free	Free	10 p.c.	5 p.c. 5 p.c.	5 p.c. 7½ p.c.	10 p.c. 15 p.c.
27605-1	Rape seed.....	Free	Free	10 p.c.	5 p.c.	7½ p.c.	10 p.c.
27610-1	Sesame seed.....	Free	Free	10 p.c.	Free	2½ p.c.	15 p.c.
27615-1	Sunflower seed.....	Free	Free	10 p.c.	5 p.c.	5 p.c.	10 p.c.
	Oilcake and oilcake meal, including pellets or other shapes:						
27701-1	Cottonseed.....	Free	Free	10 p.c.	Free	Free	Free
27702-1	Linseed.....	Free	Free	10 p.c.	Free	Free	Free
27703-1	Peanut.....	Free	Free	10 p.c.	Free	5 p.c.	25 p.c.
27704-1	Soya bean.....	Free	Free	10 p.c.	Free	Free	Free
27705-1	All other, of vegetable origin.....	Free	Free	10 p.c.	Free 15 p.c.	Free 20 p.c.	Free 25 p.c.
	Vegetable oils, crude or crude degummed:						
27711-1	Cocoanut.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27712-1	Corn.....	Free	10 p.c.	15 p.c.	15 p.c.	20 p.c.	25 p.c.
27713-1	Cottonseed.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27714-1	Palm.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27715-1	Palm kernel.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27716-1	Peanut.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27717-1	Rapeseed.....	Free	10 p.c.	15 p.c.	Free	Free	Free
27718-1	Soya bean.....	Free	10 p.c.	15 p.c.	15 p.c. Free	20 p.c. Free	25 p.c. Free
27719-1	Sunflower seed.....	Free	10 p.c.	15 p.c.	Free	10 p.c.	10 p.c.
27720-1	All other, n.o.p., and mixtures of vegetable oils, n.o.p.....	Free	10 p.c.	15 p.c.	Various	Various	Various
	Vegetable oils, other than crude or crude degummed:						
27731-1	Cocoanut.....	12½ p.c.	17½ p.c.	25 p.c.	12½ p.c.	17½ p.c.	17½ p.c.



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates			
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
27732-1	Corn.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
27733-1	Cottonseed.....	12½ p.c.	17½ p.c.	25 p.c.	12½ p.c.	17½ p.c.	17½ p.c.
27734-1	Palm.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
27735-1	Palm kernel.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
27736-1	Peanut.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
27737-1	Rapeseed.....	12½ p.c.	17½ p.c.	25 p.c.	Free	Free	Free
27738-1	Soya bean.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c. Free	20 p.c. Free	25 p.c. Free
27739-1	Sunflower seed.....	12½ p.c.	17½ p.c.	25 p.c.	Free	10 p.c.	10 p.c.
27740-1	All other, n.o.p., and mixtures of vegetable oils, n.o.p.....	12½ p.c.	17½ p.c.	25 p.c.	Various	Various	Various
27800-1	Soya bean oil for use in the manufacture of paints and varnishes.....	Free	Free	15 p.c.	Free	Free	Free
27805-1	Vegetable oils for use in canning fish.....	Free	Free	15 p.c.	Free Various	Free Various	Free Various
27810-1	Olive oil.....	Free	Free	15 p.c.	Free Free	Free 5 p.c.	Free 20 p.c.
27815-1	Cashew nut shell oil.....	Free	Free	15 p.c.	Free	Free	Free
27820-1	Soapstocks of vegetable origin with a moisture content of fifty per cent or more by weight, and acid oils of vegetable origin with a free fatty acid content of less than ninety per cent by weight.....	Free	10 p.c.	15 p.c.	Various	Various	Various

27825-1	Oils, hydrogenated, blown, dehydrated or sulpho- nated, not including blown or hydrogenated fish, seal or whale oils.....	12½ p.c.	17½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
28110-1	Fire brick, n.o.p.....	5 p.c.	14 p.c.	22½ p.c.	5 p.c.	15 p.c.	22½ p.c.
	on and after January 1, 1969	5 p.c.	13 p.c.	22½ p.c.			
	on and after January 1, 1970	5 p.c.	12 p.c.	22½ p.c.			
	on and after January 1, 1971	5 p.c.	11 p.c.	22½ p.c.			
	on and after January 1, 1972	5 p.c.	10 p.c.	22½ p.c.			
28200-1	Building brick and paving brick.....	12 p.c.	14 p.c.	22½ p.c.	12½ p.c.	15 p.c.	22½ p.c.
	on and after January 1, 1969	11½ p.c.	13 p.c.	22½ p.c.			and \$1.00
	on and after January 1, 1970	11 p.c.	12 p.c.	22½ p.c.			per ton
	on and after January 1, 1971	10½ p.c.	11 p.c.	22½ p.c.			
	on and after January 1, 1972	10 p.c.	10 p.c.	22½ p.c.			
28205-1	Manufactures of clay or cement, n.o.p.....	12½ p.c.	16½ p.c.	22½ p.c.	12½ p.c.	17½ p.c.	22½ p.c.
	on and after January 1, 1969	12½ p.c.	15½ p.c.	22½ p.c.			
	on and after January 1, 1970	12½ p.c.	14½ p.c.	22½ p.c.			
	on and after January 1, 1971	12½ p.c.	13½ p.c.	22½ p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	22½ p.c.			
28215-1	Grog, produced by calcining fire clay, or in the form of calcined dobbies, fire brick, or other refractory shapes, which have been broken, crushed, or ground, screened to size or not, but not further manufactured, when imported for use exclusively by manufacturers of refractory materials in the manufacture of such materials..... per ton	Free	Free	\$1.15	60 cts.; maximum 12½ p.c.	\$1.00; maximum 20 p.c.	\$1.15; maximum 22½ p.c.
28220-1	Hydraulic cement concrete mixes, wet or dry.....	10 p.c.	14 p.c.	22½ p.c.	12½ p.c.	17½ p.c.	22½ p.c.
	on and after January 1, 1969	7½ p.c.	10½ p.c.	22½ p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	22½ p.c.			
	on and after January 1, 1971	2½ p.c.	3½ p.c.	22½ p.c.			
	on and after January 1, 1972	Free	Free	22½ p.c.			
28400-1	Drain pipes, sewer pipes and earthenware fittings therefor, chimney linings or vents, chimney tops and inverted blocks, glazed or unglazed, n.o.p.....	15 p.c.	22 p.c.	35 p.c.	15 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
28410-1 Gypsum tile.....		15 p.c.	19 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
28415-1 Earthenware tiles, n.o.p.....		12½ p.c.	22 p.c.	35 p.c.	12½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	35 p.c.			
28700-1 All tableware of china, porcelain, semi-porcelain or white granite, but not to include tea-pots, jugs and similar articles of the type commonly known as earthenware.....		Free	24 p.c.	35 p.c.	Free	25 p.c.	35 p.c.
	on and after January 1, 1969	Free	23 p.c.	35 p.c.			
	on and after January 1, 1970	Free	22 p.c.	35 p.c.			
	on and after January 1, 1971	Free	21 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
28800-1 Stoneware and Rockingham ware and earthenware, n.o.p.....		17½ p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
28805-1 Chemical stoneware composed of a non-absorbent vitrified body specially compounded to resist acids or other corrosive reagents.....		Free	16 p.c.	35 p.c.	Free	17½ p.c.	35 p.c.
	on and after January 1, 1969	Free	14½ p.c.	35 p.c.			
	on and after January 1, 1970	Free	13 p.c.	35 p.c.			
	on and after January 1, 1971	Free	11½ p.c.	35 p.c.			
	on and after January 1, 1972	Free	10 p.c.	35 p.c.			

28900-1	Baths, bathtubs, basins, closets, closet seats and covers, closet tanks, lavatories, urinals, sinks and laundry tubs of earthenware, stone, cement, clay or other material, n.o.p.	12½ p.c.	22 p.c.	35 p.c.	12½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	35 p.c.			
29000-1	Portland and other hydraulic cement, n.o.p.; cement clinker	2 cts.	3½ cts.	6 cts.	5 cts.	8 cts.	8 cts.
	on and after January 1, 1969, per one hundred pounds	1½ cts.	3 cts.	6 cts.	2 cts.	3½ cts.	6 cts.
	on and after January 1, 1970, per one hundred pounds	1 ct.	2 cts.	6 cts.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1971, per one hundred pounds	½ ct.	1 ct.	6 cts.			
	on and after January 1, 1972, per one hundred pounds	Free	Free	6 cts.			
29005-1	White, non-staining Portland cement	4½ cts.	7 cts.	8 cts.	5 cts.	8 cts.	8 cts.
	on and after January 1, 1969, per one hundred pounds	4½ cts.	6 cts.	8 cts.			
	on and after January 1, 1970, per one hundred pounds	4½ cts.	5 cts.	8 cts.			
	on and after January 1, 1971, per one hundred pounds	4 cts.	4 cts.	8 cts.			
29010-1	Lime	12 p.c.	12 p.c.	25 p.c.	15 p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	9 p.c.	9 p.c.	25 p.c.	5 cts. cwt.	8 cts. cwt.	8 cts. cwt.
	on and after January 1, 1970	6 p.c.	6 p.c.	25 p.c.			
	on and after January 1, 1971	3 p.c.	3 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
29300-1	Plaster of Paris, or gypsum, calcined, and prepared wall plaster, the weight of the package to be included in the weight for duty	Free	10 cts.	12½ cts.	Free	11 cts.	12½ cts.
	on and after January 1, 1969, per one hundred pounds	Free	9 cts.	12½ cts.			
	on and after January 1, 1970, per one hundred pounds	Free	8 cts.	12½ cts.			
	on and after January 1, 1971, per one hundred pounds	Free	7 cts.	12½ cts.			
	on and after January 1, 1972, per one hundred pounds	Free	6 cts.	12½ cts.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
29400-1	Gypsum, ground, not calcined.....	8 p.c.	10 p.c.	15 p.c.	10 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	6 p.c.	7½ p.c.	15 p.c.			
	on and after January 1, 1970	4 p.c.	5 p.c.	15 p.c.			
	on and after January 1, 1971	2 p.c.	2½ p.c.	15 p.c.			
	on and after January 1, 1972	Free	Free	15 p.c.			
29525-1	China clay.....	Free	Free	25 p.c.	Free 15 p.c.	Free 20 p.c.	25 p.c. 25 p.c.
29615-1	Magnesium carbonate, basic or otherwise, excepting crude rock, n.o.p.....	15 p.c.	15 p.c.	30 p.c.	20 p.c.	20 p.c.	30 p.c.
29625-1	Feldspar, ground but not further manufactured.....	Free	13½ p.c.	30 p.c.	Free	15 p.c.	30 p.c.
	on and after January 1, 1969	Free	12 p.c.	30 p.c.			
	on and after January 1, 1970	Free	10½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	9 p.c.	30 p.c.			
	on and after January 1, 1972	Free	7½ p.c.	30 p.c.			
29650-1	Mica, phlogopite and muscovite, unmanufactured, in blocks, sheets, splittings, films, waste and scrap..	8 p.c.	8 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
	on and after January 1, 1969	6 p.c.	6 p.c.	25 p.c.			
	on and after January 1, 1970	4 p.c.	4 p.c.	25 p.c.			
	on and after January 1, 1971	2 p.c.	2 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
30000-1	Crucibles, n.o.p., and covers therefor.....	Free	14 p.c.	15 p.c.	Free	15 p.c.	15 p.c.
	on and after January 1, 1969	Free	13 p.c.	15 p.c.			
	on and after January 1, 1970	Free	12 p.c.	15 p.c.			
	on and after January 1, 1971	Free	11 p.c.	15 p.c.			
	on and after January 1, 1972	Free	10 p.c.	15 p.c.			
30400-1	Grindstones, mounted or not, n.o.p.....	17 p.c.	21½ p.c.	25 p.c.	17½ p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	17 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1970	17 p.c.	19½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			

30500-1	Flagstone, sandstone and all building stone, not hammered, sawn or chiselled.....	Free	Free	20 p.c.	10 p.c.	10 p.c.	20 p.c.
30510-1	Granite, rough, not hammered or chiselled.....	Free	Free	20 p.c.	10 p.c.	12½ p.c.	20 p.c.
30520-1	Granite, sawn.....	Free	7½ p.c.	35 p.c.	Free	15 p.c.	35 p.c.
30525-1	Paving blocks of stone.....	Free	7½ p.c.	35 p.c.	Free	15 p.c.	35 p.c.
30530-1	Flagstone and building stone, other than marble or granite, sawn on not more than two sides.....	Free	7½ p.c.	35 p.c.	Free	15 p.c.	35 p.c.
30605-1	Building stone, other than marble or granite, sawn on more than two sides but not sawn on more than four sides.....	5 p.c.	7½ p.c.	10 p.c.	10 cts. cwt.	20 cts. cwt.	25 cts. cwt.
30610-1	Building stone, other than marble or granite, planed, turned, cut or further manufactured than sawn on four sides.....	7½ p.c.	12½ p.c.	15 p.c.	30 cts. cwt.	45 cts. cwt.	50 cts. cwt.
30710-1	Granite, n.o.p.....	19½ p.c.	23½ p.c.	40 p.c.	20 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	40 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	40 p.c.			
30715-1	Manufactures of granite, n.o.p.....	19½ p.c.	23½ p.c.	40 p.c.	20 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	40 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	40 p.c.			
30800-1	Manufactures of stone, n.o.p.....	19½ p.c.	25 p.c.	35 p.c.	20 p.c.	30 p.c.	35 p.c.
	on and after January 1, 1969	19½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1970	19½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	19½ p.c.	20 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
30900-1	Roofing slate, per square of one hundred square feet.	Free	Free	75 cts.	50 cts.	70 cts.	75 cts.
31000-1	Slate mantels and other manufactures of slate, n.o.p.	19½ p.c.	25 p.c.	30 p.c.	20 p.c.	27½ p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	19 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			



Tariff Item	Present Rates						
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
31100-1 Slate pencils and school writing slates.....	Free	21½ p.c.	25 p.c.	Free	22½ p.c.	25 p.c.	
	on and after January 1, 1969	Free	20½ p.c.				25 p.c.
	on and after January 1, 1970	Free	19½ p.c.				25 p.c.
	on and after January 1, 1971	Free	18½ p.c.				25 p.c.
	on and after January 1, 1972	Free	17½ p.c.				25 p.c.
31215-1 Yarns, wholly or in part of asbestos, for use in the manufacture of clutch facings and brake linings....	7½ p.c.	11½ p.c.	25 p.c.	7½ p.c.	12½ p.c.	25 p.c.	
	on and after January 1, 1969	7½ p.c.	10½ p.c.				25 p.c.
	on and after January 1, 1970	7½ p.c.	9½ p.c.				25 p.c.
	on and after January 1, 1971	7½ p.c.	8½ p.c.				25 p.c.
	on and after January 1, 1972	7½ p.c.	7½ p.c.				25 p.c.
31300-1 Plumbago, not ground or otherwise manufactured... on and after January 1, 1969 on and after January 1, 1970 on and after January 1, 1971 on and after January 1, 1972	Free	4 p.c.	10 p.c.	Free	5 p.c.	10 p.c.	
	Free	3 p.c.	10 p.c.				10 p.c.
	Free	2 p.c.	10 p.c.				10 p.c.
	Free	1 p.c.	10 p.c.				10 p.c.
	Free	Free	10 p.c.				10 p.c.
31400-1 Plumbago, ground, and manufactures of, n.o.p., and foundry facings of all kinds..... on and after January 1, 1969 on and after January 1, 1970 on and after January 1, 1971 on and after January 1, 1972	15 p.c.	19 p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.	
	on and after January 1, 1969	15 p.c.	18 p.c.				25 p.c.
	on and after January 1, 1970	15 p.c.	17 p.c.				25 p.c.
	on and after January 1, 1971	15 p.c.	16 p.c.				25 p.c.
	on and after January 1, 1972	15 p.c.	15 p.c.				25 p.c.
31600-1 Electric light and arc carbons, pointed or not, and contact carbons, n.o.p..... and, per pound on and after January 1, 1969 and, per pound on and after January 1, 1970 and, per pound on and after January 1, 1971 and, per pound on and after January 1, 1972	22½ p.c.	22 p.c.	35 p.c.	22½ p.c.	22½ p.c.	35 p.c.	
	and, per pound	6 cts.	16 cts.				7½ cts.
	on and after January 1, 1969	22½ p.c.	21½ p.c.				35 p.c.
	and, per pound	4½ cts.	12 cts.				35 p.c.
	on and after January 1, 1970	22 p.c.	21 p.c.				35 p.c.
	and, per pound	3 cts.	8 cts.				35 p.c.
	on and after January 1, 1971	21 p.c.	20½ p.c.				35 p.c.
and, per pound	1½ cts.	4 cts.	35 p.c.				
on and after January 1, 1972	20 p.c.	20 p.c.	35 p.c.				

Laminated glass, of sheet glass, plate glass or float glass, or combinations thereof:							
32202-1	N.o.p.....	17½ p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
32300-1	Manufactures of laminated glass, n.o.p.....	17½ p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
32606-1	Glass tableware, n.o.p., and illuminating glassware, n.o.p.....	10 p.c.	22 p.c.	32½ p.c.	10 p.c.	22½ p.c.	32½ p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	32½ p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	32½ p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	32½ p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	32½ p.c.			
32609-1	Opal glassware, n.o.p.....	10 p.c.	22 p.c.	32½ p.c.	10 p.c.	22½ p.c.	32½ p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	32½ p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	32½ p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	32½ p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	32½ p.c.			
32612-1	Cut glass tableware and cut glassware, n.o.p.....	10 p.c.	22 p.c.	32½ p.c.	10 p.c.	22½ p.c.	32½ p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	32½ p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	32½ p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	32½ p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	32½ p.c.			
32616-1	Glass beads for cleaning, peening or surface finishing	10 p.c.	16½ p.c.	22½ p.c.	10 p.c.	17½ p.c.	22½ p.c.
	on and after January 1, 1969	10 p.c.	15½ p.c.	22½ p.c.			
	on and after January 1, 1970	10 p.c.	14½ p.c.	22½ p.c.			
	on and after January 1, 1971	10 p.c.	13½ p.c.	22½ p.c.			
	on and after January 1, 1972	10 p.c.	12½ p.c.	22½ p.c.			
32700-1	Spectacles; eyeglasses, and ground or finished spectacle or eyeglass lenses, n.o.p.....	19½ p.c.	19½ p.c.	30 p.c.	20 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
33700-1	Lead, old, scrap, pig and block..... per pound	Free	Free	1 ct.	½ ct.	½ ct.	1 ct.



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
33800-1 Lead, in bars and in sheets.....	9 p.c.	9 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
on and after January 1, 1969	8 p.c.	8 p.c.	25 p.c.			
on and after January 1, 1970	7 p.c.	7 p.c.	25 p.c.			
on and after January 1, 1971	6 p.c.	6 p.c.	25 p.c.			
on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
33900-1 Lead, manufactures of, n.o.p.....	19½ p.c.	23½ p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
on and after January 1, 1969	19½ p.c.	22 p.c.	30 p.c.			
on and after January 1, 1970	19½ p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
33905-1 Lead capsules for bottles.....	Free	21½ p.c.	30 p.c.	Free	22½ p.c.	30 p.c.
on and after January 1, 1969	Free	20½ p.c.	30 p.c.			
on and after January 1, 1970	Free	19½ p.c.	30 p.c.			
on and after January 1, 1971	Free	18½ p.c.	30 p.c.			
on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
33910-1 Collapsible tubes of lead or tin or lead coated with tin	10 p.c.	23½ p.c.	30 p.c.	10 p.c.	25 p.c.	30 p.c.
on and after January 1, 1969	10 p.c.	22 p.c.	30 p.c.			
on and after January 1, 1970	10 p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1971	10 p.c.	19 p.c.	30 p.c.			
on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			
34505-1 Zinc spelter, zinc, and zinc alloys containing not more than ten per cent by weight of other metal or metals, in the form of pigs, slabs, blocks, dust or granules..... per pound	Free	Free	2 cts.	½ ct.	½ ct.	2 cts.
34710-1 Tungsten rod and tungsten wire.....	Free	Free	25 p.c.	Free	Free	25 p.c.
34800-1 Copper scrap, matte and blister, and copper in pigs, blocks or ingots; cathode plates of electrolytic copper for melting..... per pound	Free	Free	1½ cts.	¼ ct. 15 p.c.	¼ ct. 20 p.c.	1½ cts. 25 p.c.
Nothing shall be deemed to be copper scrap except waste or refuse copper fit only to be remanufactured in furnaces.						

34815-1	Brass scrap and brass in blocks, ingots or pigs; copper in bars or rods, not less than six feet in length, unmanufactured, n.o.p.; copper in strips, sheets or plates, not polished, planished or coated; brass or copper tubing, in lengths not less than six feet, and not polished, bent or otherwise manufactured. . . . .	5 p.c.	9 p.c.	10 p.c.	5 p.c.	10 p.c.	10 p.c.
	on and after January 1, 1969	5 p.c.	8 p.c.	10 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	10 p.c.			
	on and after January 1, 1971	5 p.c.	6 p.c.	10 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	10 p.c.			
34820-1	Copper in bars or in rods, when imported by manufacturers of trolley, telegraph and telephone wires, electric wires and electric cables, for use only in the manufacture of such articles in their own factories. .	Free	9 p.c.	10 p.c.	Free	10 p.c.	10 p.c.
	on and after January 1, 1969	Free	9 p.c.	10 p.c.			
	on and after January 1, 1970	Free	7 p.c.	10 p.c.			
	on and after January 1, 1971	Free	6 p.c.	10 p.c.			
	on and after January 1, 1972	Free	5 p.c.	10 p.c.			
34825-1	Brass or copper tubing, not more than one-half of an inch in diameter, in lengths not less than six feet, coated with metal, and not polished, bent, or otherwise manufactured. . . . .	5 p.c.	9 p.c.	10 p.c.	5 p.c.	10 p.c.	10 p.c.
	on and after January 1, 1969	5 p.c.	8 p.c.	10 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	10 p.c.			
	on and after January 1, 1971	5 p.c.	6 p.c.	10 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	10 p.c.			
34900-1	Brass in bars and rods, in coil or otherwise, not less than six feet in length, and brass in strips, sheets or plates, not polished, planished or coated. . . . .	5 p.c.	9 p.c.	15 p.c.	5 p.c.	10 p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	8 p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	6 p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	15 p.c.			
34905-1	Alloys of copper, n.o.p., containing 50 per cent or more by weight of copper, namely: sheets, plates, strips, bars, rods and tubes. . . . .	7 p.c.	13 p.c.	25 p.c.	7½ p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	6½ p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1970	6 p.c.	9 p.c.	25 p.c.			
	on and after January 1, 1971	5½ p.c.	7 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
34907-1 Copper beryllium alloys, namely: ingots, sheets, plates, strips, bars, rods, tubes and wire.....	7 p.c.	7 p.c.	25 p.c.	7½ p.c.	7½ p.c.	25 p.c.
	on and after January 1, 1969 6½ p.c.	6½ p.c.	25 p.c.	7½ p.c.	7½ p.c.	35 p.c.
	on and after January 1, 1970 6 p.c.	6 p.c.	25 p.c.			
	on and after January 1, 1971 5½ p.c.	5½ p.c.	25 p.c.			
	on and after January 1, 1972 5 p.c.	5 p.c.	25 p.c.			
34910-1 Alloys of magnesium, namely: ingots, pigs, sheets, plates, strips, bars, rods and tubes.....	5 p.c.	9 p.c.	25 p.c.	5 p.c.	10 p.c.	25 p.c.
	on and after January 1, 1969 5 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1970 5 p.c.	7 p.c.	25 p.c.			
	on and after January 1, 1971 5 p.c.	6 p.c.	25 p.c.			
	on and after January 1, 1972 5 p.c.	5 p.c.	25 p.c.			
Metals, n.o.p., not including alloys, in lumps, powders, ingots or blocks:						
35101-1 Other than the following.....	Free	13 p.c.	25 p.c.	Free	15 p.c.	25 p.c.
	on and after January 1, 1969 Free	11 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1970 Free	9 p.c.	25 p.c.			
	on and after January 1, 1971 Free	7 p.c.	25 p.c.			
	on and after January 1, 1972 Free	5 p.c.	25 p.c.			
35102-1 Cadmium.....	12 p.c.	16 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969 9 p.c.	12 p.c.	25 p.c.			
	on and after January 1, 1970 6 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1971 3 p.c.	4 p.c.	25 p.c.			
	on and after January 1, 1972 Free	Free	25 p.c.			
35103-1 Cobalt.....	Free	8 p.c.	25 p.c.	Free	10 p.c.	25 p.c.
	on and after January 1, 1969 Free	6 p.c.	25 p.c.			
	on and after January 1, 1970 Free	4 p.c.	25 p.c.			
	on and after January 1, 1971 Free	2 p.c.	25 p.c.			
	on and after January 1, 1972 Free	Free	25 p.c.			
35105-1 Magnesium.....	13 p.c.	17 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969 11 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1970 9 p.c.	11 p.c.	25 p.c.			
	on and after January 1, 1971 7 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1972 5 p.c.	5 p.c.	25 p.c.			

35106-1	Bismuth, n.o.p.....	12 p.c.	16 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	9 p.c.	12 p.c.	25 p.c.			
	on and after January 1, 1970	6 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1971	4 p.c.	4 p.c.	25 p.c.			
	on and after January 1, 1972	Free	Free	25 p.c.			
35110-1	Cobalt metal, in bars.....	Free	10 p.c.	25 p.c.	Free	10 p.c.	25 p.c.
35200-1	Brass and copper nails, tacks, rivets and burrs or washers; bells and gongs, n.o.p.; and manufactures of brass or copper, n.o.p.....	19½ p.c.	19½ p.c.	30 p.c.	20 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
35215-1	Screws of brass, copper or other metal, n.o.p.....	21½ p.c.	27½ p.c.	35 p.c.	22½ p.c.	30 p.c.	35 p.c.
	on and after January 1, 1969	20½ p.c.	25 p.c.	35 p.c.			
	on and after January 1, 1970	19½ p.c.	22½ p.c.	35 p.c.			
	on and after January 1, 1971	19½ p.c.	20 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
35220-1	Coin locks of which solid brass or bronze are the components of chief value, plain, polished or plated.	15 p.c.	28 p.c.	40 p.c.	15 p.c.	30 p.c.	40 p.c.
	on and after January 1, 1969	15 p.c.	26 p.c.	40 p.c.			
	on and after January 1, 1970	15 p.c.	24 p.c.	40 p.c.			
	on and after January 1, 1971	15 p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	40 p.c.			
Aluminum and alloys thereof:							
35301-1	Pigs, ingots, blocks, notch bars, slabs, billets, blooms, and wire bars.....per pound	Free	1 ct.	5 cts.	Free	1½ cts.	5 cts.
35302-1	Bars, rods, plates, sheets, strips, circles, squares, discs and rectangles.....per pound	Free	2.8 cts.	7.5 cts.	Free	3 cts.	7.5 cts.
	on and after January 1, 1969, per pound	Free	2.6 cts.	7.5 cts.			
	on and after January 1, 1970, per pound	Free	2.4 cts.	7.5 cts.			
	on and after January 1, 1971, per pound	Free	2.2 cts.	7.5 cts.			
	on and after January 1, 1972, per pound	Free	2 cts.	7.5 cts.			
35303-1	Angles, channels, beams, tees and other rolled, drawn or extruded sections and shapes.....	Free	20½ p.c.	30 p.c.	Free	22½ p.c.	30 p.c.
	on and after January 1, 1969	Free	18½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	16½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	14½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	30 p.c.			



Tariff Item	Present Rates						
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
35305-1	Pipes and tubes.....	Free	20½ p.c.	30 p.c.	Free	22½ p.c.	30 p.c.
	on and after January 1, 1969	Free	18½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	16½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	14½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	30 p.c.			
35306-1	Leaf, n.o.p., or foil, less than .005 inch in thickness, plain or embossed, with or without backing.....	Free	27 p.c.	30 p.c.	Free	30 p.c.	30 p.c.
	on and after January 1, 1969	Free	24 p.c.	30 p.c.			
	on and after January 1, 1970	Free	21 p.c.	30 p.c.			
	on and after January 1, 1971	Free	18 p.c.	30 p.c.			
	on and after January 1, 1972	Free	15 p.c.	30 p.c.			
35307-1	Aluminum powder.....	Free	25 p.c.	30 p.c.	Free	27½ p.c.	30 p.c.
	on and after January 1, 1969	Free	22½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	20 p.c.	30 p.c.			
	on and after January 1, 1971	Free	17½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	15 p.c.	30 p.c.			
35310-1	Granules, cut from ingots, for use in the manufacture of cleaning compounds..... per pound	Free	1 ct.	5 cts.	Free	1½ cts.	5 cts.
35400-1	Manufactures of aluminum, n.o.p.....	15 p.c.	20 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
35405-1	Kitchen or household hollow-ware of aluminum, n.o.p.....	19½ p.c.	21½ p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1970	19 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
35410-1	Kitchen or household hollow-ware of nickel, n.o.p.....	19½ p.c.	23½ p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			

35515-1	Nickel, and alloys containing sixty per cent by weight or more of nickel, in powder form.....	Free	Free	Free	Free	Free	Free
35520-1	Nickel or nickel alloys, namely: matte, sludges, spent catalysts and scrap, and concentrates other than ores.....	Free	Free	Free	Free	Free	Free
35700-1	Britannia metal, nickel silver, Nevada and German silver, manufactures of, not plated, n.o.p.....	15 p.c.	19½ p.c.	40 p.c.	15 p.c.	20 p.c.	40 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	40 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	40 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	40 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	40 p.c.			
35800-1	Anodes of nickel, zinc, copper, silver or gold.....	Free	Free	10 p.c.	5 p.c.	7½ p.c.	10 p.c.
36100-1	Gold and silver leaf; Dutch or schlag metal leaf; brocade and bronze powders.....	12½ p.c.	24 p.c.	30 p.c.	12½ p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	12½ p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	12½ p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1971	12½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	30 p.c.			
36200-1	Articles consisting wholly or in part of sterling or other silverware, n.o.p.; manufactures of gold or silver, n.o.p.....	17½ p.c.	26½ p.c.	45 p.c.	17½ p.c.	27½ p.c.	45 p.c.
	on and after January 1, 1969	17½ p.c.	25½ p.c.	45 p.c.			
	on and after January 1, 1970	17½ p.c.	24½ p.c.	45 p.c.			
	on and after January 1, 1971	17½ p.c.	23½ p.c.	45 p.c.			
	on and after January 1, 1972	17½ p.c.	22½ p.c.	45 p.c.			
36205-1	Metal parts, electro-plated, for loose-leaf binders.....	12½ p.c.	12½ p.c.	45 p.c.	17½ p.c.	17½ p.c.	45 p.c.
36210-1	Toilet articles of all kinds, including atomizers, brushes, buffers, button hooks, combs, cuticle knives, hair receivers, hand-mirrors, jewel boxes, manicure scissors, nail files, perfume bottles, puff jars, shoe horns, trays and tweezers, of which the manufactured component material of chief value is sterling silver.....	15 p.c.	24 p.c.	45 p.c.	15 p.c.	25 p.c.	45 p.c.
	on and after January 1, 1969	15 p.c.	23 p.c.	45 p.c.			
	on and after January 1, 1970	15 p.c.	22 p.c.	45 p.c.			
	on and after January 1, 1971	15 p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	45 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
36215-1	Nickel-plated ware, gilt or electro-plated ware, n.o.p.	15 p.c.	20 p.c.	45 p.c.	15 p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	45 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	45 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	45 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	45 p.c.			
36220-1	Cigar and cigarette lighters, n.o.p., nickel-plated, gilt or electro-plated.....	15 p.c.	22 p.c.	45 p.c.	15 p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	45 p.c.			
36505-1	Findings of metal, not plated or coated, including stampings, trimmings, spring-rings, bolt-rings, clasps, snaps, swivels, vest chain bars, joints, catches, pin tongues, buckle tongues, coil pins, clip actions, settings and eyepins, when imported by manufacturers of jewellery or ornaments for the adornment of the person, for use exclusively in the manufacture of such articles, in their own factories. .	14½ p.c.	18½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	14 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1970	13½ p.c.	15½ p.c.	30 p.c.			
	on and after January 1, 1971	13 p.c.	14 p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	30 p.c.			
36600-1	Watches of all kinds.....	19 p.c.	28 p.c.	35 p.c.	20 p.c.	30 p.c.	35 p.c.
	but not less than.....each		32 cts.	40 cts.		40 cts.	40 cts.
	on and after January 1, 1969	18 p.c.	26 p.c.	35 p.c.			
	but not less than.....each		24 cts.	40 cts.			
	on and after January 1, 1970	17 p.c.	24 p.c.	35 p.c.			
	but not less than.....each		16 cts.	40 cts.			
	on and after January 1, 1971	17 p.c.	22 p.c.	35 p.c.			
	but not less than.....each		8 cts.	40 cts.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
	but not less than.....each			40 cts.			

36605-1	Watch actions and movements, finished or unfinished	Free	14 p.c.	15 p.c.	Free	15 p.c. 40 cts.	15 p.c. 40 cts.
	but not less than.....each		32 cts.	40 cts.			
	on and after January 1, 1969	Free	13 p.c.	15 p.c.			
	but not less than.....each		24 cts.	40 cts.			
	on and after January 1, 1970	Free	12 p.c.	15 p.c.			
36610-1	but not less than.....each		16 cts.	40 cts.			
	on and after January 1, 1971	Free	11 p.c.	15 p.c.			
	but not less than.....each		8 cts.	40 cts.			
36610-1	Parts of watch movements, finished or unfinished....	Free	14 p.c.	15 p.c.	Free	15 p.c.; minimum 5 cts. per plate	15 p.c.; minimum 10 cts. per plate
	on and after January 1, 1969	Free	13 p.c.	15 p.c.			
	on and after January 1, 1970	Free	12 p.c.	15 p.c.			
	on and after January 1, 1971	Free	11 p.c.	15 p.c.			
	on and after January 1, 1972	Free	10 p.c.	15 p.c.			
36700-1	Watch cases, and parts thereof, finished or unfinished	15 p.c.	22 p.c.	45 p.c.	15 p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	45 p.c.			
36800-1	Clocks, time recorders, clock movements, clockwork mechanisms, and clock cases.....	15 p.c.	29 p.c.	35 p.c.	15 p.c.	30 p.c. 40 cts.	35 p.c. 50 cts.
	but not less than.....each		32 cts.	50 cts.			
	on and after January 1, 1969	15 p.c.	28 p.c.	35 p.c.			
	but not less than.....each		24 cts.	50 cts.			
	on and after January 1, 1970	15 p.c.	27 p.c.	35 p.c.			
	but not less than.....each		16 cts.	50 cts.			
36900-1	on and after January 1, 1971	15 p.c.	26 p.c.	35 p.c.			
	but not less than.....each		8 cts.	50 cts.			
	on and after January 1, 1972	15 p.c.	25 p.c.	35 p.c.			
36900-1	Parts of clock movements or of clockwork mechanisms, finished or unfinished, not including plates..	10 p.c.	22½ p.c.	25 p.c.	10 p.c.	25 p.c.	25 p.c.
	on and after January 1, 1969	10 p.c.	20 p.c.	25 p.c.			
	on and after January 1, 1970	10 p.c.	17½ p.c.	25 p.c.			
	on and after January 1, 1971	10 p.c.	15 p.c.	25 p.c.			
	on and after January 1, 1972	10 p.c.	12½ p.c.	25 p.c.			
37000-1	Copper rollers, and stones, used in the printing of textile fabrics or wallpaper.....	Free	8 p.c.	10 p.c.	Free	10 p.c.	10 p.c.
	on and after January 1, 1969	Free	6 p.c.	10 p.c.			
	on and after January 1, 1970	Free	4 p.c.	10 p.c.			
	on and after January 1, 1971	Free	2 p.c.	10 p.c.			
	on and after January 1, 1972	Free	Free	10 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
37400-1	Pig iron, n.o.p.....per ton	\$1.20	\$2.00	\$2.50	\$1.50	\$2.50	\$2.50
	on and after January 1, 1969, per ton	90 cts.	\$1.50	\$2.50			
	on and after January 1, 1970, per ton	60 cts.	\$1.00	\$2.50			
	on and after January 1, 1971, per ton	30 cts.	50 cts.	\$2.50			
	on and after January 1, 1972, per ton	Free	Free	\$2.50			
	<b>Ferro-alloys:</b>						
37501-1	Ferro-manganese, spiegeleisen and other alloys of manganese and iron containing not more than 1 per cent, by weight, of silicon—per pound, or fraction thereof, on the manganese contained therein.....	Free	0.9 ct.	1.25 cts.	Free	1 ct.	1.25 cts.
	on and after January 1, 1969	Free	0.8 ct.	1.25 cts.			
	on and after January 1, 1970	Free	0.7 ct.	1.25 cts.			
	on and after January 1, 1971	Free	0.6 ct.	1.25 cts.			
	on and after January 1, 1972	Free	0.5 ct.	1.25 cts.			
37502-1	Silico-manganese, silico spiegel and other alloys of manganese and iron containing more than 1 per cent, by weight, of silicon—per pound or fraction thereof, on the manganese contained therein....	Free	1.35 cts.	1.75 cts.	Free	1.5 cts.	1.75 cts.
	on and after January 1, 1969	Free	1.20 cts.	1.75 cts.			
	on and after January 1, 1970	Free	1.05 cts.	1.75 cts.			
	on and after January 1, 1971	Free	0.90 cts.	1.75 cts.			
	on and after January 1, 1972	Free	0.75 ct.	1.75 cts.			
37503-1	Ferro-silicon, being an alloy of iron and silicon containing 8 per cent or more, by weight, of silicon and less than 60 per cent—per pound, or fraction thereof, on the silicon contained therein.....	Free	0.8 ct.	1.75 cts.	Free	1 ct.	1.75 cts.
	on and after January 1, 1969	Free	0.6 ct.	1.75 cts.			
	on and after January 1, 1970	Free	0.4 ct.	1.75 cts.			
	on and after January 1, 1971	Free	0.2 ct.	1.75 cts.			
	on and after January 1, 1972	Free	Free	1.75 cts.			

37504-1	Ferro-silicon, being an alloy of iron and silicon containing 60 per cent or more, by weight, of silicon and less than 90 per cent—per pound, or fraction thereof, on the silicon contained therein.....	Free	1.15 cts.	2.75 cts.	Free	1.25 cts.	2.75 cts.
	on and after January 1, 1969	Free	1.05 cts.	2.75 cts.			
	on and after January 1, 1970	Free	0.95 ct.	2.75 cts.			
	on and after January 1, 1971	Free	0.85 ct.	2.75 cts.			
	on and after January 1, 1972	Free	0.75 ct.	2.75 cts.			
37505-1	Ferro-silicon, being an alloy of iron and silicon containing 90 per cent or more, by weight, of silicon—per pound, or fraction thereof, on the silicon contained therein.....	Free	4½ cts.	5½ cts.	Free	5 cts.	5½ cts.
	on and after January 1, 1969	Free	4 cts.	5½ cts.			
	on and after January 1, 1970	Free	3½ cts.	5½ cts.			
	on and after January 1, 1971	Free	3 cts.	5½ cts.			
	on and after January 1, 1972	Free	2½ cts.	5½ cts.			
37700-1	Ingots of iron or steel, n.o.p..... per ton	Free	\$2.40	\$5.00	Free	\$3.00	\$5.00
	on and after January 1, 1969, per ton	Free	\$1.80	\$5.00			
	on and after January 1, 1970, per ton	Free	\$1.20	\$5.00			
	on and after January 1, 1971, per ton	Free	60 cts	\$5.00			
	on and after January 1, 1972, per ton	Free	Free	\$5.00			
37905-1	Bars or rods of iron or steel, as described in tariff item 37900-1, cold-rolled or cold-drawn.....	5 p.c.	14½ p.c.	25 p.c.	5 p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	5 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1970	5 p.c.	13½ p.c.	25 p.c.			
	on and after January 1, 1971	5 p.c.	13 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	12½ p.c.	25 p.c.			
37910-1	Bars or rods of iron or steel, as described in tariff item 37900-1, further processed than hot- or cold-rolled or cold-drawn, or otherwise processed.....	5 p.c.	14½ p.c.	25 p.c.	5 p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	5 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1970	5 p.c.	13½ p.c.	25 p.c.			
	on and after January 1, 1971	5 p.c.	13 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	12½ p.c.	25 p.c.			
37950-1	Shapes or sections of iron or steel, n.o.p., not further manufactured than extruded or drawn.....	10 p.c.	14½ p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	14 p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	13½ p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	13 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	12½ p.c.	35 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
38010-1 Iron or steel angles, beams, channels, columns, girders, joists, piling, tees, zees, and other shapes or sections, punched, drilled or further manufactured than hot-rolled, n.o.p.....	17 p.c.	20 p.c.	40 p.c.	17½ p.c.	22½ p.c.	40 p.c.
on and after January 1, 1969	17 p.c.	19 p.c.	40 p.c.			
on and after January 1, 1970	17 p.c.	18½ p.c.	40 p.c.			
on and after January 1, 1971	15 p.c.	18 p.c.	40 p.c.			
on and after January 1, 1972	15 p.c.	17½ p.c.	40 p.c.			
38105-1 Plate of iron or steel, flanged or dished.....	5 p.c.	19 p.c.	30 p.c.	5 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	5 p.c.	18 p.c.	30 p.c.			
on and after January 1, 1970	5 p.c.	17 p.c.	30 p.c.			
on and after January 1, 1971	5 p.c.	16 p.c.	30 p.c.			
on and after January 1, 1972	5 p.c.	15 p.c.	30 p.c.			
38110-1 Plate of iron or steel, n.o.p.....	5 p.c.	14½ p.c.	25 p.c.	5 p.c.	15 p.c.	25 p.c.
on and after January 1, 1969	5 p.c.	14 p.c.	25 p.c.			
on and after January 1, 1970	5 p.c.	13½ p.c.	25 p.c.			
on and after January 1, 1971	5 p.c.	13 p.c.	25 p.c.			
on and after January 1, 1972	5 p.c.	12½ p.c.	25 p.c.			
Sheet or strip of iron or steel, corrugated or not, and whether or not with rolled surface pattern:						
38202-1 Cold-rolled or cold-drawn.....	5 p.c.	14½ p.c.	25 p.c.	5 p.c.	15 p.c.	25 p.c.
on and after January 1, 1969	5 p.c.	14 p.c.	25 p.c.			
on and after January 1, 1970	5 p.c.	13½ p.c.	25 p.c.			
on and after January 1, 1971	5 p.c.	13 p.c.	25 p.c.			
on and after January 1, 1972	5 p.c.	12½ p.c.	25 p.c.			
38203-1 Coated with tin or vitreous enamel.....	10 p.c.	14½ p.c.	25 p.c.	10 p.c.	15 p.c.	25 p.c.
on and after January 1, 1969	10 p.c.	14 p.c.	25 p.c.			
on and after January 1, 1970	10 p.c.	13½ p.c.	25 p.c.			
on and after January 1, 1971	10 p.c.	13 p.c.	25 p.c.			
on and after January 1, 1972	10 p.c.	12½ p.c.	25 p.c.			
38204-1 Coated with zinc.....	7½ p.c.	14½ p.c.	25 p.c.	7½ p.c.	15 p.c.	25 p.c.
on and after January 1, 1969	7½ p.c.	14 p.c.	25 p.c.			
on and after January 1, 1970	7½ p.c.	13½ p.c.	25 p.c.			
on and after January 1, 1971	7½ p.c.	13 p.c.	25 p.c.			
on and after January 1, 1972	7½ p.c.	12½ p.c.	25 p.c.			

38205-1	Coated, n.o.p.....	7½ p.c.	14½ p.c.	20 p.c.	7½ p.c.	15 p.c.	20 p.c.
	on and after January 1, 1969	7½ p.c.	14 p.c.	20 p.c.			
	on and after January 1, 1970	7½ p.c.	13½ p.c.	20 p.c.			
	on and after January 1, 1971	7½ p.c.	13 p.c.	20 p.c.			
	on and after January 1, 1972	7½ p.c.	12½ p.c.	20 p.c.			
38715-1	Railway intersection layouts, intersections, switches, crossings, frogs, guard rails, of iron or steel.....	15 p.c.	23½ p.c.	30 p.c.	15 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
39000-1	Castings, of iron or steel, in the rough, n.o.p.....	15 p.c.	17 p.c.	27½ p.c.	15 p.c.	17½ p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	16½ p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	16 p.c.	27½ p.c.			
	on and after January 1, 1971	15 p.c.	15½ p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	27½ p.c.			
39200-1	Forgings, of iron or steel, in any degree of manufacture, n.o.p.....	17 p.c.	20 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	17 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	17 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
39205-1	Forgings of iron or steel, hollow, rough-machined or not, not less than twelve inches in internal diameter; all other forgings, solid or otherwise, rough-turned or rough-machined or not, of a weight of twenty tons or more.....	5 p.c.	19½ p.c.	30 p.c.	5 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	5 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	5 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	5 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	5 p.c.	17½ p.c.	30 p.c.			
Axles and axle bars, n.o.p., and axle blanks, and parts thereof, of iron or steel:							
39401-1	For railway vehicles, including locomotives and tenders.....	7½ p.c.	20 p.c.	30 p.c.	7½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	7½ p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	7½ p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	7½ p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	7½ p.c.	17½ p.c.	30 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
39402-1	For other vehicles, n.o.p.....	20 p.c.	20 p.o.	35 p.c.	22½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
39403-1	N.o.p.....	19½ p.c.	20 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	18½ p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	18 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
39700-1	Pipes or tubes of iron or steel, n.o.p., with plain or processed ends, whether or not coated or lined.....	12½ p.c.	19½ p.c.	30 p.c.	12½ p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	12½ p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	12½ p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	12½ p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	17½ p.c.	30 p.c.			
40000-1	Fittings and couplings of iron or steel, n.o.p., for pipes and tubes; parts therefor.....	15 p.c.	19½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
40005-1	Fittings and couplings of iron or steel, not further manufactured than forged or bent to shape, whether or not deburred or descaled, for use in the manufacture of fittings and couplings.....	Free	10 p.c.	25 p.c.	Free 10 p.c.	10 p.c. 22½ p.c.	25 p.c. 35 p.c.
40101-1	Wire of iron or steel, single: Round, n.o.p.....	2½ p.c.	7½ p.c.	20 p.c.	15 p.c. Various	15 p.c. Various	20 p.c. Various
40102-1	Other than round, n.o.p.....	5 p.c.	10 p.c.	20 p.c.	7½ p.c. 15 p.c. Various	20 p.c. 15 p.c. Various	20 p.c. 20 p.c. Various

40103-1	Coated or covered with any material, n.o.p.....	5 p.c.	10 p.c.	20 p.c.	10 p.c. 15 p.c. Various	20 p.c. 25 p.c. Various	20 p.c. 30 p.c. Various
40104-1	Valued at not less than two and three-quarter cents per pound for use in the manufacture of wire rope..	Free	5 p.c.	7½ p.c.	Free	5 p.c.	7½ p.c.
	Products of wire of iron or steel, namely:						
40111-1	Barbed wire.....	Free	10 p.c.	20 p.c.	Free	10 p.c.	10 p.c.
40112-1	Cloth, fencing, mesh, netting and screening.....	7½ p.c.	12½ p.c.	25 p.c.	17½ p.c. 10 p.c. Various	25 p.c. 22½ p.c. Various	35 p.c. 35 p.c. Various
40113-1	Wire rope and strand, n.o.p.; wires, twisted, braided, bunched or otherwise conjoined, n.o.p.....	10 p.c.	15 p.c.	25 p.c.	15 p.c. Various	25 p.c. Various	25 p.c. Various
40114-1	Wire rope or cable, coated or not, for use exclusively in commercial fishing operations.....	Free	10 p.c.	25 p.c.	Free	10 p.c.	25 p.c.
	Wire of all metals or alloys thereof, n.o.p.:						
40121-1	Single, not coated or covered.....	7½ p.c.	12½ p.c.	25 p.c.	10 p.c. Free	20 p.c. 15 p.c.	35 p.c. 35 p.c.
40122-1	Single, coated or covered.....	10 p.c.	15 p.c.	25 p.c.	20 p.c. 10 p.c.	20 p.c. 20 p.c.	30 p.c. 35 p.c.
40123-1	Twisted, braided, bunched or otherwise conjoined, whether or not reinforced with steel, coated or covered or not, including cable, rope and strand..	12½ p.c.	17½ p.c.	25 p.c.	20 p.c. 17½ p.c.	20 p.c. 22½ p.c.	30 p.c. 25 p.c.
40130-1	Wire cloth or woven wire including fourdrinier wire cloth of copper or alloys of copper containing 50 per cent or more by weight of copper.....	12½ p.c.	17½ p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.
	Springs, of iron or steel:						
40401-1	For the running and draft gear of railway vehicles, including locomotives and tenders.....	19½ p.c.	25 p.c.	30 p.c.	20 p.c.	27½ p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	22½ p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	20 p.c.	30 p.c.			
	on and after January 1, 1971	17½ p.c.	17½ p.c.	30 p.c.			
40402-1	For the running gear of other vehicles, n.o.p.....	21½ p.c.	25 p.c.	35 p.c.	22½ p.c.	27½ p.c.	35 p.c.
	on and after January 1, 1969	20½ p.c.	22½ p.c.	35 p.c.			
	on and after January 1, 1970	19½ p.c.	20 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	17½ p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
40510-1	Furniture springs.....	19½ p.c.	23½ p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
	Coil chain, coil chain links, including repair links, and chain shackles, of iron or steel:						
40602-1	Less than one and one-eighth inches in diameter...	15 p.c.	21½ p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	19½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			
40705-1	Chains, of iron or steel, n.o.p., and complete parts thereof.....	15 p.c.	20 p.c.	25 p.c.	15 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			
40954-1	Poultry processing equipment, namely: plucking, scalding, washing, singeing, eviscerating and packaging equipment; parts of the foregoing.....	Free	Free	35 p.c.	Free	5 p.c.	35 p.c.
40960-1	Roofs, chutes, ladders, wall sections with or without doors incorporated therein, materials and parts; all of the foregoing for the construction or repair of silos for storing ensilage.....	10 p.c.	10 p.c.	25 p.c.	10 p.c. 17½ p.c.	17½ p.c. 20 p.c.	35 p.c. 25 p.c.
41110-1	Cylinder stave saws, wheel type stave jointers, crozing and champhering machinery, and complete parts thereof.....	10 p.c.	12½ p.c.	20 p.c.	10 p.c.	15 p.c.	20 p.c.

41430-1	Cash registers.....	20 p.c.	22 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	20 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	20 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	20 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	30 p.c.			
41515-1	Washing machines, domestic, with or without motive power incorporated therein; complete parts of washing machines.....	15 p.c.	22 p.c.	35 p.c.	15 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
41520-1	Clothes wringers, domestic, and complete parts of metal thereof.....	20 p.c.	22 p.c.	35 p.c.	20 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	20 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	20 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	20 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	35 p.c.			
41535-1	Carpet sweepers.....	19 p.c.	24 p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	18 p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	17 p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1971	17 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
41540-1	Domestic clothes drying machines, and parts thereof	10 p.c.	22 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
41545-1	Domestic combination clothes washing and drying machines, and parts thereof.....	10 p.c.	22 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
42400-1	Fire engines and other fire extinguishing machines and chassis for same; complete parts other than chassis parts.....	Free	19½ p.c.	35 p.c.	Free	20 p.c.	35 p.c.
	on and after January 1, 1969	Free	19 p.c.	35 p.c.			
	on and after January 1, 1970	Free	18½ p.c.	35 p.c.			
	on and after January 1, 1971	Free	18 p.c.	35 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	35 p.c.			



Tariff Item		Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
42405-1	Hand fire extinguishers, and sprinkler heads for automatic sprinkler systems for fire protection.....	19½ p.c.	19½ p.c.	35 p.c.	20 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
42505-1	Power lawn mowers, self-propelled or not, whether or not containing the power unit.....	15 p.c.	19½ p.c.	32½ p.c.	15 p.c.	20 p.c.	32½ p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	32½ p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	32½ p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	32½ p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	32½ p.c.			
42515-1	Lawn mowers, n.o.p.....	10 p.c.	21 p.c.	32½ p.c.	10 p.c.	22½ p.c.	32½ p.c.
	on and after January 1, 1969	10 p.c.	19½ p.c.	32½ p.c.			
	on and after January 1, 1970	10 p.c.	18 p.c.	32½ p.c.			
	on and after January 1, 1971	10 p.c.	16½ p.c.	32½ p.c.			
	on and after January 1, 1972	10 p.c.	15 p.c.	32½ p.c.			
42610-1	Veneer-drying machines, and complete parts thereof.	4 p.c.	4 p.c.	35 p.c.	5 p.c.	5 p.c.	35 p.c.
	on and after January 1, 1969	3 p.c.	3 p.c.	35 p.c.			
	on and after January 1, 1970	2 p.c.	2 p.c.	35 p.c.			
	on and after January 1, 1971	1 p.c.	1 p.c.	35 p.c.			
	on and after January 1, 1972	Free	Free	35 p.c.			
42700-1	Machines, n.o.p., and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing.....	2½ p.c.	15 p.c.	35 p.c.	10 p.c. Free Various	22½ p.c. Various	35 p.c. 35 p.c. Various
	Except that in the case of the importation into Canada of any goods enumerated in this item, the Governor in Council on the recommendation of the Minister of Industry may, whenever he considers						

that it is in the public interest and that the goods are not available from production in Canada, remit the duty specified in this item applicable to the goods, and subsections (2), (3), (4), (5) and (8) of section 22 of the Financial Administration Act apply in the case of a remission granted under this provision.

42729-1	Ball and roller bearings, n.o.p.; parts thereof.....	Free	15 p.c.	35 p.c.	Free	17½ p.c.	35 p.c.
42732-1	Machinery for dairying purposes, namely: power churns, power milk coolers, power ice cream mixers, power butter printers, power cream savers, power bottle sterilizers, power brine tanks, valveless or centrifugal milk pumps, sanitary milk and cream vats; none of the foregoing machinery to include motive power; parts of all the foregoing.....	Free	15 p.c.	35 p.c.	Free	15 p.c.	35 p.c.
42733-1	Machinery for dairying purposes, namely: power fillers and cappers, power milk bottle washers, power milk can washers, ice-breaking machines; none of the foregoing machinery to include motive power; parts of all the foregoing.....	Free	7½ p.c.	35 p.c.	Free	15 p.c.	35 p.c.
42738-1	Automatic machines for making and packaging cigars and cigarettes, not to include tobacco-preparing machines; parts thereof.....	Free	Free	35 p.c.	Free	7½ p.c.	35 p.c.
	Machines and tools, including blades, loaders, rippers, rakes and related operating and controlling gear; all the foregoing for use on internal combustion tractors, other than highway truck-tractors:						
42761-1	Of a class or kind made in Canada; parts thereof...	2½ p.c.	15 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
42762-1	Of a class or kind not made in Canada; parts thereof	Free	Free	35 p.c.	Free	7½ p.c.	35 p.c.
42805-1	Engines or boilers and complete parts thereof, n.o.p..	15 p.c.	19 p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	30 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
42815-1 Diesel and semi-diesel engines, and complete parts thereof, n.o.p.....	Free	19 p.c.	30 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	18 p.c.	30 p.c.			
on and after January 1, 1970	Free	17 p.c.	30 p.c.			
on and after January 1, 1971	Free	16 p.c.	30 p.c.			
on and after January 1, 1972	Free	15 p.c.	30 p.c.			
42817-1 Diesel and semi-diesel engines of 500 horsepower or less, and complete parts thereof, n.o.p.....	Free	17 p.c.	30 p.c.	Free	17½ p.c.	30 p.c.
on and after January 1, 1969	Free	16½ p.c.	30 p.c.			
on and after January 1, 1970	Free	16 p.c.	30 p.c.			
on and after January 1, 1971	Free	15½ p.c.	30 p.c.			
on and after January 1, 1972	Free	15 p.c.	30 p.c.			
42820-1 Air-cooled internal combustion engines of not greater than 1½ h.p. rating, and complete parts thereof,....	Free	19 p.c.	30 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	18 p.c.	30 p.c.			
on and after January 1, 1970	Free	17 p.c.	30 p.c.			
on and after January 1, 1971	Free	16 p.c.	30 p.c.			
on and after January 1, 1972	Free	15 p.c.	30 p.c.			
Cutlery of iron or steel, plated or not:						
42907-1 Razors and complete parts thereof; razor blades, n.o.p.....	Free	23½ p.c.	30 p.c.	Free	25 p.c.	30 p.c.
on and after January 1, 1969	Free	22 p.c.	30 p.c.			
on and after January 1, 1970	Free	20½ p.c.	30 p.c.			
on and after January 1, 1971	Free	19 p.c.	30 p.c.			
on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
42908-1 Safety razor blades.....	Free	19½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	19 p.c.	30 p.c.			
on and after January 1, 1970	Free	18½ p.c.	30 p.c.			
on and after January 1, 1971	Free	18 p.c.	30 p.c.			
on and after January 1, 1972	Free	17½ p.c.	30 p.c.			

43000-1	Nuts and bolts with or without threads, washers, rivets, of iron or steel, coated or not, n.o.p.; nut and bolt blanks, of iron and steel.....	7½ p.c.	17½ p.c.	30 p.c.	7½ p.c. and 25 cts. cwt.	17½ p.c. and 50 cts. cwt.	25 p.c. and 75 cts. cwt.
43005-1	Hinges and butts, of iron or steel, coated or not, n.o.p.; hinge and butt blanks, of iron or steel.....	5 p.c.	17½ p.c.	30 p.c.	5 p.c. and 75 cts. cwt.	20 p.c. and 75 cts. cwt.	30 p.c. and 75 cts. cwt.
43010-1	Screws, of iron or steel, coated or not.....	15 p.c.	17½ p.c.	30 p.c.	15 p.c. 15 p.c.	20 p.c. 17½ p.c. and 50 cts. cwt.	30 p.c. 30 p.c.
43025-1	Wire nails less than one inch in length, and nails or tacks of all kinds, n.o.p., of iron or steel, coated or not.....	10 p.c.	20 p.c.	30 p.c.	10 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			
43030-1	Railway spikes, of iron or steel, coated or not.....	19½ p.c.	27½ p.c.	30 p.c.	20 p.c.	30 p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	25 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	22½ p.c.	30 p.c.			
	on and after January 1, 1971	19½ p.c.	20 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
43035-1	Spikes, of iron or steel, coated or not, n.o.p.....	19½ p.c.	27½ p.c.	30 p.c.	20 p.c.	30 p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	25 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	22½ p.c.	30 p.c.			
	on and after January 1, 1971	19½ p.c.	20 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
43120-1	Adzes, anvils, vises, cleavers, hatchets, saws, augers, bits, drills, screw-drivers, planes, spokeshaves, chisels, mallets, metal wedges, wrenches, sledges, hammers, crowbars, cantdogs, and track tools, picks, mattocks, and eyes or polls for the same....	10 p.c.	22 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
43135-1	Measuring rules and tapes of all kinds.....	15 p.c.	21½ p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43140-1 Files and rasps.....	Free	21½ p.c.	35 p.c.	Free	22½ p.c.	35 p.c.
on and after January 1, 1969	Free	20½ p.c.	35 p.c.			
on and after January 1, 1970	Free	19½ p.c.	35 p.c.			
on and after January 1, 1971	Free	18½ p.c.	35 p.c.			
on and after January 1, 1972	Free	17½ p.c.	35 p.c.			
43200-1 Hollow-ware, of iron or steel, coated or not, n.o.p.....	10 p.c.	19½ p.c.	30 p.c.	10 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	10 p.c.	19 p.c.	30 p.c.			
on and after January 1, 1970	10 p.c.	18½ p.c.	30 p.c.			
on and after January 1, 1971	10 p.c.	18 p.c.	30 p.c.			
on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			
43205-1 Kitchen and dairy hollow-ware of iron or steel, coated with tin, including cans for shipping milk or cream, not painted, japanned or decorated.....	15 p.c.	19½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
43210-1 Hollow-ware, of iron or steel, coated with vitreous enamel.....	17 p.c.	21½ p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
on and after January 1, 1969	17 p.c.	20½ p.c.	35 p.c.			
on and after January 1, 1970	17 p.c.	19½ p.c.	35 p.c.			
on and after January 1, 1971	15 p.c.	18½ p.c.	35 p.c.			
on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			
43215-1 Containers manufactured from tinplate, when imported by manufacturers of food products for use exclusively in the hermetical sealing of food products, in their own factories, under regulations prescribed by the Minister.....	10 p.c.	17½ p.c.	25 p.c.	10 p.c.	20 p.c.	25 p.c.
43220-1 Manufactures of tinplate, painted, japanned, decorated or not, and manufactures of tin, n.o.p.....	15 p.c.	19½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			

43405-1	Locomotives and motor cars for railways, for use exclusively in mining, metallurgical or sawmill operations, n.o.p., and chassis, tops, wheels and bodies for the same, n.o.p.	15 p.c.	19½ p.c.	35 p.c.	15 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			
43410-1	Locomotives for use on railways, and chassis, tops, wheels and bodies for the same, n.o.p.	15 p.c.	23½ p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			
43420-1	Steel wheels for use on railway rolling stock, n.o.p.	7½ p.c.	25½ p.c.	30 p.c.	7½ p.c.	27½ p.c.	35 p.c.
	on and after January 1, 1969	7½ p.c.	23½ p.c.	30 p.c.	7½ p.c.	27½ p.c.	30 p.c.
	on and after January 1, 1970	7½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1971	7½ p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1972	7½ p.c.	17½ p.c.	30 p.c.			
43430-1	Rolled steel wheels in one piece in the rough, not drilled nor machined in any manner, for railway vehicles, including locomotives and tenders, when imported for use in the manufacture of steel wheels for use on railway rolling stock.	Free	19½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
	on and after January 1, 1969	Free	19 p.c.	30 p.c.			
	on and after January 1, 1970	Free	18½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	18 p.c.	30 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
43800-1	Railway cars and parts thereof, n.o.p.	15 p.c.	21½ p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
43803-1	Automobiles and motor vehicles of all kinds, n.o.p.; electric trackless trolley buses; chassis for all the foregoing.	Free	17 p.c.	27½ p.c.	Free	17½ p.c.	27½ p.c.
	on and after January 1, 1969	Free	16½ p.c.	27½ p.c.			
	on and after January 1, 1970	Free	16 p.c.	27½ p.c.			
	on and after January 1, 1971	Free	15½ p.c.	27½ p.c.			
	on and after January 1, 1972	Free	15 p.c.	27½ p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43803-1 (Cont'd)						
Machines or other articles mounted on the fore-going or attached thereto for purposes other than loading or unloading the vehicle shall be valued separately and duty assessed under the tariff items regularly applicable thereto.				Free		
Bearings, clutch release, with or without collar attached;						
Bearings, graphite;						
Bearings, steel or bronze backed, with non-ferrous metal lining, parts and materials therefor;						
Bearings, steering knuckle thrust;						
Bushings or sleeve bearings of bronze or powdered metal;						
Bushings, graphited or oil impregnated;						
Ceramic insulator spark plug cores not further manufactured than burned and glazed, printed or decorated or not, without fittings;						
Collars, crankshaft thrust;						
Compressors and parts thereof, air;						
Commutator copper segments; commutator insulating end rings;						
Tapered discs of hot-rolled steel, with or without centre hole, for disc wheels;						
Diaphragms for fuel and vacuum pumps;						
Distributor rotors and cam assemblies;						
Door bumper shoes;						
Electric wiring terminals, sockets, fittings and connectors and parts and combinations thereof, including brackets and fittings permanently attached thereto, but not to include battery terminals;						
Gaskets of any material except cork or felt, composite or not, parts and materials therefor;						
Ignition contact points;						
Keys for shafting;						

Auxiliary driving control kits, designed for attachment to motor vehicles to facilitate their operation by physically disabled persons, and parts thereof;  
 Laminated composition plastic timing gear blanks;  
 Lenses of glass for motor vehicle lamps and for light reflectors;  
 Lock washers;  
 Magnetic plugs;  
 Metal frames for convertible soft tops;  
 Permanent mould pistons for brake master cylinders;  
 Piston ring castings in the rough, with or without gates and fins removed;  
 Propeller shaft tubes of steel bonded by rubber;  
 Rails of lock seam section, corners, locks and catches, unplated ventilators and parts thereof, the foregoing being of metal other than aluminum, for the manufacture of window sashes for bus bodies;  
 Shift control, electric, for two speed rear axles;  
 Steel bolts, studs, plugs, rivets or nuts, capped with stainless steel, and parts thereof;  
 Switches, relays, circuit breakers and solenoids and combinations and parts thereof, including starter switch assemblies;  
 Synchronizing cones or blocking rings for transmissions;  
 Vacuum, hydraulic or air control assemblies and parts thereof;  
 Vulcanized fibre in sheets, rods, strips and tubings;  
 Parts of all the foregoing;

All of the foregoing for use in the manufacture or repair of goods enumerated in tariff items 41006-1, 42400-1 and 43803-1, or for use in the manufacture of parts therefor:

43807-1	When of a class or kind made in Canada . . . . .	Free	16½ p.c.	30 p.c.	Free	17½ p.c.	30 p.c.
	on and after January 1, 1969	Free	15½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	14½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	13½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	30 p.c.			

Ammeters;  
 Arm rests and wheel housing lining of indurated fibre, pressed to shape;  
 Axle housings, one piece welded, machined or not, including parts welded thereto;



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	Present Rates		
			British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
(Cont'd) Carburetors;					
Chassis frames and steel shapes for the manufacture thereof;					
Cigar and cigarette lighters, whether in combination with a cigarette holder or not, including base;					
Composite frame and floor structure of metal in the rough;					
Control ventilator gear box;					
Cylinder lock barrels, with or without sleeves and keys therefor;					
Dash heat indicators;					
Door opening weatherseal retainers;					
Engine speed governor units;					
External ornaments unplated, including name plates, letters and numerals, but not including finish or decorative mouldings;					
Fluid couplings with or without drive plate assemblies;					
Gauges, gasoline, oil or air;					
Grilles not plated, polished or not before assembly, and parts thereof not plated or polished after final forming, casting or piercing, not including added finish or decorative mouldings;					
Hinges, finished or not, for bodies;					
Horns;					
Instrument bezel assemblies; instrument board lamps; instrument panel, glove compartment, luggage compartment, hood compartment and door step lamps and wire assemblies;					
Instrument board panels of moulded or laminated glass fibres and plastic;					
Locks, electric ignition, steering gear, transmission, or combinations of such locks;					
Mouldings of metal; with nails or prongs set in position, lead filled or not;					





Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43810-1 (Cont'd)	on and after January 1, 1969	Free	15½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	14½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	13½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	30 p.c.			
	Air cleaners;						
	Axles, front and rear;						
	Bell or clutch housings for vehicles having a gross vehicle weight rating of over 19,500 pounds;						
	Brakes;						
	Brake drums;						
	Cast aluminum road wheels for tube type tires using rim sizes larger than twenty inches by eight inches and for tubeless type tires using rim sizes larger than twenty-two and one-half inches by eight and one-quarter inches;						
	Clutches;						
	Drive shafts;						
	Fuel pumps;						
	Hubs;						
	Hydraulic or fluid couplings;						
	Internal combustion engines over 348 cubic inches in displacement;						
	Linkages and controls for use with clutches, transmission assemblies, power dividers or transfer cases, when the main assemblies are of a class or kind not made in Canada;						
	Magnetos;						
	Power dividers or transfer cases;						
	Rims for pneumatic tires;						
	Spring shrouds, spring seats, and spring anchor plates of metal for vehicles having a gross vehicle weight rating of over 19,500 pounds;						
	Steel road wheels;						
	Steering drag links for vehicles having a gross vehicle weight rating of 20,000 pounds or over;						
	Steering gears;						
	Tandem axle suspensions, not to include springs;						
	Transmission assemblies;						
	Universal joints;						

Parts of the foregoing:

All of the foregoing when of a class or kind not made in Canada, and

43819-1	For the manufacture of motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, and the chassis for same	Free	16½ p.c.	27½ p.c.	Free	17½ p.c.	27½ p.c.
	on and after January 1, 1969	Free	15½ p.c.	27½ p.c.			
	on and after January 1, 1970	Free	14½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	13½ p.c.	27½ p.c.			
	on and after January 1, 1972	Free	12½ p.c.	27½ p.c.			

Internal combustion engines of 348 cubic inches and under in displacement;

Parts of the foregoing;

All of the foregoing when of a class or kind not made in Canada, and

43824-1	For the manufacture of motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, and the chassis for same.....	Free	16½ p.c.	27½ p.c.	Free	17½ p.c.	27½ p.c.
	on and after January 1, 1969	Free	15½ p.c.	27½ p.c.			
	on and after January 1, 1970	Free	14½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	13½ p.c.	27½ p.c.			
	on and after January 1, 1972	Free	12½ p.c.	27½ p.c.			

43829-1	Parts, n.o.p., electro-plated or not, whether finished or not, for automobiles, motor vehicles, electric trackless trolley buses, fire fighting vehicles, ambulances and hearses, or chassis enumerated in tariff items 42400-1 and 43803-1, including engines, but not including ball or roller bearings, wireless receiving sets, die castings of zinc, electric storage batteries, parts of wood, tires and tubes or parts of which the component material of chief value is rubber.....	Free	23 p.c.	35 p.c.	Free	25 p.c.	35 p.c.
	on and after January 1, 1969	Free	21 p.c.	35 p.c.			
	on and after January 1, 1970	Free	19 p.c.	35 p.c.			
	on and after January 1, 1971	Free	17 p.c.	35 p.c.			
	on and after January 1, 1972	Free	15 p.c.	35 p.c.			

Brake linings and clutch facings, whether or not including metallic wires or threads, for automobiles, motor vehicles, electric trackless trolley buses, fire fighting vehicles, ambulances and hearses, or chassis enumerated in tariff items 42400-1 and 43803-1:



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
43832-1	When made wholly or in part from crude asbestos of British Commonwealth origin.....	Free	24 p.c.	35 p.c.	Free	25 p.c.	35 p.c.
	on and after January 1, 1969	Free	23 p.c.	35 p.c.			
	on and after January 1, 1970	Free	22 p.c.	35 p.c.			
	on and after January 1, 1971	Free	21 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
43833-1	When made wholly or in part from crude asbestos, n.o.p.....	15 p.c.	24 p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
43845-1	Piston castings of any material, in the rough or semi-finished.....	Free	24 p.c.	35 p.c.	Free	25 p.c.	35 p.c.
	on and after January 1, 1969	Free	23 p.c.	35 p.c.			
	on and after January 1, 1970	Free	22 p.c.	35 p.c.			
	on and after January 1, 1971	Free	21 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
43910-1	Cars, trailers including house trailers and mobile homes, n.o.p., wheelbarrows, trucks, road or railway scrapers and hand carts.....	10 p.c.	21½ p.c.	30 p.c.	10 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			
43915-1	Farm wagons, including four-wheeled farm wagons equipped to be tractor-drawn; farm sleds; logging wagons; logging sleds; and complete parts of all the foregoing.....	Free	12½ p.c.	25 p.c.	Free	15 p.c.	25 p.c.
43920-1	Freight wagons, drays, sleighs, n.o.p., and complete parts thereof.....	Free	23 p.c.	25 p.c.	Free	25 p.c.	25 p.c.
	on and after January 1, 1969	Free	21 p.c.	25 p.c.			
	on and after January 1, 1970	Free	19 p.c.	25 p.c.			
	on and after January 1, 1971	Free	17 p.c.	25 p.c.			
	on and after January 1, 1972	Free	15 p.c.	25 p.c.			

43930-1	Children's carriages, sleds and other vehicles; complete parts of all the foregoing.....	15 p.c.	21½ p.c.	35 p.c.	15 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			

Vessels, dredges, scows, yachts, boats and other water borne craft, built outside of Canada, of any material, destined for use or service in Canadian waters (not including registered vessels, entitled to engage in the coasting trade, nor vessels in transit between Canada and any place outside thereof) n.o.p.; on the fair market value of the hull, rigging, machinery, boilers, furniture, and appurtenances thereof, on arrival in Canada:

44002-1	Other than the following.....	15 p.c.	25 p.c.	25 p.c.	15 p.c.	25 p.c.	25 p.c.
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44003-1	Boats, open, including sail boats, skiffs and canoes, but not including those with inboard motors or for use with inboard motors.....	15 p.c.	19½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			

44004-1	Boats, open, including sail boats, with inboard motors or for use with inboard motors; yachts and pleasure boats, not exceeding 30 feet in length overall.....	15 p.c.	23½ p.c.	25 p.c.	15 p.c.	25 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	22 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			

Regulations may be prescribed by the Minister for exemption from further duty after the duty specified in items 44002-1, 44003-1 and 44004-1 is once paid.

44009-1	Racing shells or oars therefor, when imported by amateur rowing clubs for use exclusively by such clubs.....	Free	Free	25 p.c.	Free	20 p.c.	25 p.c.
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44034-1	Trawls, trawling spoons, fly hooks, hooks, sinkers, swivels, bait, sportsmen's fishing reels, fishing rods, and fishing tackle, n.o.p.....	Free	19½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
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Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
44034-1 (Cont'd)	on and after January 1, 1969	Free	19 p.c.	30 p.c.			
	on and after January 1, 1970	Free	18½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	18 p.c.	30 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
	Aircraft, not including engines, under such regulations as the Minister may prescribe:						
44043-1	When of types or sizes not made in Canada.....	Free	Free	27½ p.c.	Free	Free	27½ p.c.
	on and after July 1, 1969	Free	7½ p.c.	27½ p.c.	Free	15 p.c.	27½ p.c.
44044-1	When of types and sizes made in Canada.....	Free	13½ p.c.	27½ p.c.	Free	15 p.c.	27½ p.c.
	on and after January 1, 1969	Free	12 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	10½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	9 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	7½ p.c.	27½ p.c.			
	Aircraft engines, when imported for use in the equipment of aircraft:						
44047-1	When of types or sizes not made in Canada.....	Free	Free	27½ p.c.	Free	Free	27½ p.c.
	on and after July 1, 1969	Free	7½ p.c.	27½ p.c.	Free	15 p.c.	27½ p.c.
44048-1	When of types and sizes made in Canada.....	Free	13½ p.c.	27½ p.c.	Free	15 p.c.	27½ p.c.
	on and after January 1, 1969	Free	12 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	10½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	9 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	7½ p.c.	27½ p.c.			
	Parts of aircraft, n.o.p.:						
44052-1	When of types and sizes made in Canada.....	Free	13½ p.c.	27½ p.c.	Free	15 p.c.	27½ p.c.
	on and after January 1, 1969	Free	12 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	10½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	9 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	7½ p.c.	27½ p.c.			

44100-1	Guns, rifles, including air guns and air rifles not being toys; muskets, cannons, pistols, revolvers, or other firearms, n.o.p.; cartridge cases, cartridges, primers, percussion caps, wads or other ammunition, n.o.p.; bayonets, swords, fencing foils and masks; gun or pistol covers or cases, game bags, loading tools and cartridge belts of any material . . . . .	10 p.c.	22 p.c.	30 p.c.	10 p.c.	22½ p.c.	30 p.c.	
		on and after January 1, 1969	10 p.c.	21½ p.c.	30 p.c.			
		on and after January 1, 1970	10 p.c.	21 p.c.	30 p.c.			
		on and after January 1, 1971	10 p.c.	20½ p.c.	30 p.c.			
		on and after January 1, 1972	10 p.c.	20 p.c.	30 p.c.			
44300-1	Apparatus, and parts thereof, for cooking or for heating buildings . . . . .	15 p.c.	22 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.	
		on and after January 1, 1969	15 p.c.	21½ p.c.	30 p.c.			
		on and after January 1, 1970	15 p.c.	21 p.c.	30 p.c.			
		on and after January 1, 1971	15 p.c.	20½ p.c.	30 p.c.			
		on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
44330-1	Timing devices for apparatus for cooking or for heating buildings; parts thereof . . . . .	15 p.c.	21½ p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.	
		on and after January 1, 1969	15 p.c.	20½ p.c.	30 p.c.			
		on and after January 1, 1970	15 p.c.	19½ p.c.	30 p.c.			
		on and after January 1, 1971	15 p.c.	18½ p.c.	30 p.c.			
		on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
44335-1	Timers for radios and parts thereof . . . . .	15 p.c.	21½ p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.	
		on and after January 1, 1969	15 p.c.	20½ p.c.	30 p.c.			
		on and after January 1, 1970	15 p.c.	19½ p.c.	30 p.c.			
		on and after January 1, 1971	15 p.c.	18½ p.c.	30 p.c.			
		on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
44400-1	Gas meters, and complete parts thereof . . . . .	12½ p.c.	21½ p.c.	35 p.c.	12½ p.c.	22½ p.c.	35 p.c.	
		on and after January 1, 1969	12½ p.c.	20½ p.c.	35 p.c.			
		on and after January 1, 1970	12½ p.c.	19½ p.c.	35 p.c.			
		on and after January 1, 1971	12½ p.c.	18½ p.c.	35 p.c.			
		on and after January 1, 1972	12½ p.c.	17½ p.c.	35 p.c.			
44405-1	Gas, coal oil or other lighting fixtures and appliances, n.o.p., including tips, burners, collars and galleries; gas mantles and incandescent gas burners; complete parts of all the foregoing . . . . .	15 p.c.	22 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.	
		on and after January 1, 1969	15 p.c.	21½ p.c.	30 p.c.			
		on and after January 1, 1970	15 p.c.	21 p.c.	30 p.c.			
		on and after January 1, 1971	15 p.c.	20½ p.c.	30 p.c.			
		on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
44410-1 Lamp shades, n.o.p., and shade holders.....	15 p.c.	22 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
on and after January 1, 1969	15 p.c.	21½ p.c.	30 p.c.			
on and after January 1, 1970	15 p.c.	21 p.c.	30 p.c.			
on and after January 1, 1971	15 p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
44500-1 Electric light fixtures and appliances, n.o.p., and complete parts thereof.....	19½ p.c.	22 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
on and after January 1, 1969	19 p.c.	21½ p.c.	30 p.c.			
on and after January 1, 1970	18½ p.c.	21 p.c.	30 p.c.			
on and after January 1, 1971	18 p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
44502-1 Electric head, side and tail lights, n.o.p.; electric torches or flashlights and complete parts thereof..	19½ p.c.	22 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
on and after January 1, 1969	19 p.c.	21½ p.c.	30 p.c.			
on and after January 1, 1970	18½ p.c.	21 p.c.	30 p.c.			
on and after January 1, 1971	18 p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
44504-1 Electric arc lamps and incandescent electric light lamps, n.o.p. ....	19 p.c.	24 p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
on and after January 1, 1969	18 p.c.	23 p.c.	30 p.c.			
on and after January 1, 1970	17 p.c.	22 p.c.	30 p.c.			
on and after January 1, 1971	17 p.c.	21 p.c.	30 p.c.			
on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
44506-1 Electric telegraph apparatus and complete parts thereof.....	Free	19½ p.c.	30 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	19 p.c.	30 p.c.			
on and after January 1, 1970	Free	18½ p.c.	30 p.c.			
on and after January 1, 1971	Free	18 p.c.	30 p.c.			
on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
44508-1 Electric telephone apparatus and complete parts thereof.....	10 p.c.	21½ p.c.	30 p.c.	10 p.c.	22½ p.c.	30 p.c.
on and after January 1, 1969	10 p.c.	20½ p.c.	30 p.c.			
on and after January 1, 1970	10 p.c.	19½ p.c.	30 p.c.			
on and after January 1, 1971	10 p.c.	18½ p.c.	30 p.c.			
on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			

27273-163

44512-1	Electric and galvanic batteries, n.o.p., and complete parts thereof, including separator walls of wood, cut to size or not.....	15 p.c.	21½ p.c.	27½ p.c.	15 p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	20½ p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	19½ p.c.	27½ p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	27½ p.c.			
44514-1	Electric dynamos or generators and transformers, and complete parts thereof, n.o.p.....	15 p.c.	19 p.c.	37½ p.c.	15 p.c.	22½ p.c.	37½ p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	37½ p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	37½ p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	37½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	37½ p.c.			
44516-1	Electric motors, and complete parts thereof, n.o.p....	15 p.c.	19 p.c.	37½ p.c.	15 p.c.	22½ p.c.	37½ p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	37½ p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	37½ p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	37½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	37½ p.c.			
44518-1	Electric insulators of all kinds, n.o.p., and complete parts thereof.....	15 p.c.	19 p.c.	27½ p.c.	15 p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	27½ p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	27½ p.c.			
44520-1	Electric sad irons and complete parts thereof.....	12½ p.c.	22 p.c.	27½ p.c.	12½ p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	27½ p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	27½ p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	27½ p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	27½ p.c.			
44524-1	Electric apparatus and complete parts thereof, n.o.p..	15 p.c.	20 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
44526-1	Electric storage batteries, composed of plates measuring not less than eleven inches by fourteen inches and not less than three-quarters inch in thickness; complete parts thereof.....	Free	19½ p.c.	27½ p.c.	Free	20 p.c.	27½ p.c.
	on and after January 1, 1969	Free	19 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	18½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	18 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	17½ p.c.	27½ p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
44533-1 Radio and television apparatus and parts thereof, n.o.p.....	Free	19 p.c.	29 p.c.	Free	20 p.c.	30 p.c.
on and after January 1, 1969	Free	18 p.c.	28 p.c.			
on and after January 1, 1970	Free	17 p.c.	27 p.c.			
on and after January 1, 1971	Free	16 p.c.	26 p.c.			
on and after January 1, 1972	Free	15 p.c.	25 p.c.			
44534-1 Radio or television receiving sets incorporating a record playing device.....	14 p.c.	19 p.c.	29 p.c.	15 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	13 p.c.	18 p.c.	28 p.c.			
on and after January 1, 1970	12 p.c.	17 p.c.	27 p.c.			
on and after January 1, 1971	11 p.c.	16 p.c.	26 p.c.			
on and after January 1, 1972	10 p.c.	15 p.c.	25 p.c.			
44535-1 Phonographs and parts thereof, n.o.p.....	14 p.c.	19 p.c.	29 p.c.	15 p.c.	20 p.c.	30 p.c.
on and after January 1, 1969	13 p.c.	18 p.c.	28 p.c.			
on and after January 1, 1970	12 p.c.	17 p.c.	27 p.c.			
on and after January 1, 1971	11 p.c.	16 p.c.	26 p.c.			
on and after January 1, 1972	10 p.c.	15 p.c.	25 p.c.			
44548-1 Transformers and inductors for use in the manufacture or repair of the goods enumerated in tariff items 44533-1, 44534-1, 44535-1, 44536-1, 44538-1 and 44540-1.....	14 p.c.	19 p.c.	29 p.c.	15 p.c.	22½ p.c.	37½ p.c.
on and after January 1, 1969	13 p.c.	18 p.c.	28 p.c.	Various	Various	Various
on and after January 1, 1970	12 p.c.	17 p.c.	27 p.c.			
on and after January 1, 1971	11 p.c.	16 p.c.	26 p.c.			
on and after January 1, 1972	10 p.c.	15 p.c.	25 p.c.			
44600-1 Electric steam turbo generator sets, 700 h.p. and greater, of a class or kind not made in Canada, and complete parts thereof.....	Free	17½ p.c.	25 p.c.	Free	20 p.c.	25 p.c.
44603-1 Manufactures, articles or wares, of iron or steel or of which iron or steel or both are the component materials of chief value, n.o.p.....	10 p.c.	20 p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
on and after January 1, 1969	10 p.c.	19 p.c.	35 p.c.			
on and after January 1, 1970	10 p.c.	18½ p.c.	35 p.c.			
on and after January 1, 1971	10 p.c.	18 p.c.	35 p.c.			
on and after January 1, 1972	10 p.c.	17½ p.c.	35 p.c.			

44606-1	Steel bicycle rims, not enamelled nor plated.....	Free	17½ p.c.	35 p.c.	Free	27½ p.c.	35 p.c.
44612-1	Bottles or cylinders of steel for use as high-pressure containers for gas.....	Free	19½ p.c.	25 p.c.	Free	20 p.c.	25 p.c.
	on and after January 1, 1969	Free	19 p.c.	25 p.c.			
	on and after January 1, 1970	Free	18½ p.c.	25 p.c.			
	on and after January 1, 1971	Free	18 p.c.	25 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	25 p.c.			
44621-1	Electric apparatus designed for welding, n.o.p., and parts thereof, not including motors.....	5 p.c.	19 p.c.	30 p.c.	5 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	5 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	5 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	5 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	5 p.c.	15 p.c.	30 p.c.			
44622-1	High frequency and ultra high frequency electric resistance welding apparatus.....	5 p.c.	10 p.c.	30 p.c.	5 p.c.	20 p.c.	30 p.c.
44627-1	Gas apparatus designed for welding or cutting and parts thereof, n.o.p.....	5 p.c.	19 p.c.	30 p.c.	5 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	5 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	5 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	5 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	5 p.c.	15 p.c.	30 p.c.			
44700-1	Water pumps, hand or power, for domestic purposes only.....	Free	21½ p.c.	30 p.c.	Free	22½ p.c.	30 p.c.
	on and after January 1, 1969	Free	20½ p.c.	30 p.c.			
	on and after January 1, 1970	Free	19½ p.c.	30 p.c.			
	on and after January 1, 1971	Free	18½ p.c.	30 p.c.			
	on and after January 1, 1972	Free	17½ p.c.	30 p.c.			
45005-1	Ice skates, not including skates with boots attached, and metal parts thereof.....	14½ p.c.	20½ p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	14 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1970	13½ p.c.	16½ p.c.	30 p.c.			
	on and after January 1, 1971	13 p.c.	14½ p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	30 p.c.			
45100-1	Buckles, clasps, eyelets, hooks and eyes, dome, snap or other fasteners of iron, steel, brass or other metal, coated or not, n.o.p. (not being jewellery); parts of all the foregoing.....	15 p.c.	22 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
45105-1	Spring-beard needles and latch needles.....	10 p.c.	24 p.c.	35 p.c.	10 p.c.	25 p.c.	35 p.c.
	and, per thousand		\$1.20	\$1.50		\$1.50	\$1.50
	on and after January 1, 1969	10 p.c.	23 p.c.	35 p.c.			
	and, per thousand		90 cts.	\$1.50			
	on and after January 1, 1970	10 p.c.	22 p.c.	35 p.c.			
	and, per thousand		60 cts.	\$1.50			
	on and after January 1, 1971	10 p.c.	21 p.c.	35 p.c.			
	and, per thousand		30 cts.	\$1.50			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
45110-1	Needles, of any material or kind, n.o.p.....	10 p.c.	24 p.c.	35 p.c.	10 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			
	Pins manufactured from wire of any metal:						
45116-1	N.o.p.....	15 p.c.	24 p.c.	30 p.c.	15 p.c.	25 p.c.	30 p.c.
	and, per pound		8 cts.	10 cts.		10 cts.	10 cts.
	on and after January 1, 1969	15 p.c.	23 p.c.	30 p.c.			
	and, per pound		6 cts.	10 cts.			
	on and after January 1, 1970	15 p.c.	22 p.c.	30 p.c.			
	and, per pound		4 cts.	10 cts.			
	on and after January 1, 1971	15 p.c.	21 p.c.	30 p.c.			
	and, per pound		2 cts.	10 cts.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
45120-1	Corset clasps, busks, blanks, steels, and covered corset wires, cut to length, tipped or untipped; reed, rattan or horn, covered.....	15 p.c.	26 p.c.	30 p.c.	15 p.c.	27½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	24½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
45130-1	Slide, hookless, or zipper fasteners.....	25 p.c.	26½ p.c.	40 p.c.	25 p.c.	27½ p.c.	40 p.c.
	on and after January 1, 1969	25 p.c.	25½ p.c.	40 p.c.			
	on and after January 1, 1970	24 p.c.	24½ p.c.	40 p.c.			
	on and after January 1, 1971	23 p.c.	23½ p.c.	40 p.c.			
	on and after January 1, 1972	22½ p.c.	22½ p.c.	40 p.c.			

45300-1	Metal parts when imported by manufacturers of covered buttons for use exclusively in the manufacture of covered buttons, in their own factories, under regulations prescribed by the Minister.....	Free	20 p.c.	30 p.c.	Free	22½ p.c.	30 p.c.
46105-1	Safes including doors; doors and door frames for vaults; scales, balances and weighing beams of all kinds, n.o.p.....	10 p.c.	19½ p.c.	35 p.c.	10 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	17½ p.c.	35 p.c.			
46205-1	Cameras, n.o.p., of a class or kind made in Canada; complete parts thereof.....	7½ p.c.	19 p.c.	30 p.c.	7½ p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	7½ p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	7½ p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	7½ p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	7½ p.c.	15 p.c.	30 p.c.			
46230-1	Parts, unfinished, for use in the manufacture of cameras.....	Free	Free	7½ p.c.	Free	5 p.c.	7½ p.c.
46505-1	Radioisotope activated light sources and signs or indicating markers of material other than paper with radioisotope activated light source.....	7½ p.c.	7½ p.c.	30 p.c.	7½ p.c.	17½ p.c.	30 p.c.
46510-1	Radioisotope activated self-luminous standards for calibration purposes.....	7½ p.c.	7½ p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
46700-1	Window shade or blind rollers.....	12½ p.c.	22 p.c.	30 p.c.	12½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	30 p.c.			
46800-1	Animal cages of wire and metal parts thereof.....	10 p.c.	17½ p.c.	35 p.c.	10 p.c.	22½ p.c.	35 p.c.
47000-1	Patterns of iron, steel, brass or other metal, not being models.....	17½ p.c.	17½ p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
47100-1	Belt pulleys of all kinds, n.o.p., for power transmission	15 p.c.	19 p.c.	27½ p.c.	15 p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	27½ p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	27½ p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
47105-1	Pressed steel belt pulleys for power transmission, and finished or unfinished parts thereof, including interchangeable bushings.....	Free	19 p.c.	27½ p.c.	Free	20 p.c.	27½ p.c.
	on and after January 1, 1969	Free	18 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	17 p.c.	27½ p.c.			
	on and after January 1, 1971	Free	16 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	15 p.c.	27½ p.c.			
48900-1	Crucibles of platinum, rhodium and iridium, and covers therefor.....	Free	Free	15 p.c.	Free	Free	Free
					Free	15 p.c.	15 p.c.
49400-1	Manufactures of corkwood or cork bark, n.o.p., including strips, shives, shells and washers of cork..	Free	8 p.c.	20 p.c.	Free	10 p.c.	20 p.c.
	on and after January 1, 1969	Free	6 p.c.	20 p.c.			
	on and after January 1, 1970	Free	4 p.c.	20 p.c.			
	on and after January 1, 1971	Free	2 p.c.	20 p.c.			
	on and after January 1, 1972	Free	Free	20 p.c.			
49500-1	Corks, manufactured from corkwood.....per pound	Free	Free	5 cts.	2 cts. 2 cts.	2 cts. 2 cts.	5 cts. 8 cts.
50000-1	Logs, poles, sticks, roots, posts, piles and railway ties of wood.....	Free	Free	Free	Free	Free	Free
					17½ p.c.	20 p.c.	25 p.c.
50005-1	Firewood, wood waste, fuel made from wood waste with or without a binder, saw dust of wood and wood chips.....	Free	Free	Free	Free	Free	Free
					15 p.c.	20 p.c.	25 p.c.
50010-1	Blocks and bolts of wood, not further manufactured than rough shaped by boring, hewing or sawing....	Free	Free	Free	Free	Free	Free
					Various	Various	Various
50015-1	Shingles, lath and treenails of wood.....	Free	Free	Free	Free	Free	Free
					Free	Free	25 p.c.
50020-1	Fence pickets, palings and rails of wood, whether or not assembled into fence sections.....	Free	Free	Free	Free	Free	Free
					17½ p.c.	20 p.c.	25 p.c.

50025-1	Staves, hoops and heading of wood for use in the manufacture of barrels or kegs.....	Free	Free	Free	Free Various	Free Various	Free Various
50030-1	Dowel rods and pins of wood, not sanded, grooved or otherwise further manufactured.....	Free	Free	Free	17½ p.c.	20 p.c.	25 p.c.
50035-1	Wooden handles or stems for handles for axes, spades, hand shovels, hand hoes, hand rakes, and hand forks, not further manufactured than turned; scale board for cheese; Mexican saddle trees and stirrups of wood; felloes of hickory or oak; wooden spokes and wooden last blocks, not further manufactured than turned.....	Free	Free	Free	Free 10 p.c.	Free 10 p.c.	Free 15 p.c.
50040-1	Timber or lumber of wood of any species, not further manufactured than sawn.....	Free	Free	Free	Free	Free	Free
50045-1	Timber or lumber of wood of any species, further manufactured than sawn but not further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder.....	Free	Free	Free	Free 10 p.c. Various	Free 10 p.c. Various	Free 25 p.c. Various
50050-1	Timber or lumber of softwood (the wood of any coniferous species of tree), drilled but not otherwise further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder.....	Free	Free	Free	17½ p.c.	20 p.c.	25 p.c.
50055-1	Edge-glued or end-glued rectangular wood not over six feet in length or over fifteen inches in width, not drilled and not further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder.....	Free	Free	Free	Free 5 p.c. 10 p.c.	Free 5 p.c. 10 p.c.	25 p.c. 25 p.c. 25 p.c.



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
50060-1						
Timber or lumber of hardwood (the wood of any deciduous species of tree), drilled but not otherwise further manufactured than the product of a planing machine with various profile attachments or not further manufactured than matched or patterned on a matching machine, sticker or moulder.....	5 p.c.	5 p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.
50065-1						
Floor tiles made of individual strips of wood joined together.....	11½ p.c.	11½ p.c.	25 p.c.	12½ p.c.	12½ p.c.	25 p.c.
on and after January 1, 1969	10½ p.c.	10½ p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.
on and after January 1, 1970	9½ p.c.	9½ p.c.	25 p.c.			
on and after January 1, 1971	8½ p.c.	8½ p.c.	25 p.c.			
on and after January 1, 1972	7½ p.c.	7½ p.c.	25 p.c.			
50066-1						
Flooring of oak, tongued, grooved or jointed, whether drilled or not.....	11½ p.c.	11½ p.c.	25 p.c.	12½ p.c.	12½ p.c.	25 p.c.
on and after January 1, 1969	10½ p.c.	10½ p.c.	25 p.c.			
on and after January 1, 1970	9½ p.c.	9½ p.c.	25 p.c.			
on and after January 1, 1971	8½ p.c.	8½ p.c.	25 p.c.			
on and after January 1, 1972	7½ p.c.	7½ p.c.	25 p.c.			
50068-1						
Flooring of wood, n.o.p., tongued, grooved or jointed, whether drilled or not.....	Free	Free	25 p.c.	12½ p.c. 17½ p.c.	12½ p.c. 20 p.c.	25 p.c. 25 p.c.
50070-1						
Timber or lumber of wood of any species, whether or not drilled, but otherwise not further manufactured than surface-sanded or otherwise surface processed, or dimensionally stabilized, n.o.p.....	5 p.c.	5 p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.
50075-1						
Timber, lumber and mouldings of wood, n.o.p.....	10 p.c.	10 p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.

1. The term "lumber" in items 50000-1 to 50075-1, inclusive, includes: siding and mouldings of wood having the same profile and cross-section throughout their length, edge-glued or end-glued wood over 6 feet in length and not over 15 inches in width if such wood as a solid piece without joints would be deemed to be lumber.

2. The provisions of tariff items 50000-1 to 50060-1, inclusive, apply to the products specified therein whether or not they have been treated with creosote or other wood preservative, but not if they have been dimensionally stabilized, or treated with fire retardent materials, fillers, sealers, waxes, oils, stains, varnishes, paints or enamels.

3. The provisions of tariff items 50065-1, 50066-1, 50068-1, 50070-1 and 50075-1 apply to the products specified therein whether or not dimensionally stabilized, treated with creosote, other preservative, fire retardent materials, fillers, sealers, waxes, oils, stains, varnishes, paints or enamels.

50600-1	Manufactures of wood, n.o.p.....	17 p.c.	19 p.c.	25 p.c.	17½ p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	17 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
50603-1	Hockey sticks.....	15 p.c.	15 p.c.	25 p.c.	17½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	12½ p.c.	25 p.c.			
	on and after January 1, 1970	10 p.c.	10 p.c.	25 p.c.			
	on and after January 1, 1971	7½ p.c.	7½ p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
50610-1	Wooden doors of a height and width not less than 6 feet and 2 feet, respectively.....	Free	21 p.c.	25 p.c.	Free	22½ p.c.	25 p.c.
	on and after January 1, 1969	Free	19½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	18 p.c.	25 p.c.			
	on and after January 1, 1971	Free	16½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	15 p.c.	25 p.c.			
50705-1	Single-ply, sliced or rotary-cut veneers of wood, n.o.p., not over five-sixteenths of an inch in thickness, not taped nor jointed.....	9½ p.c.	11½ p.c.	20 p.c.	10 p.c.	12½ p.c.	20 p.c.
	on and after January 1, 1969	9 p.c.	10½ p.c.	20 p.c.			
	on and after January 1, 1970	8½ p.c.	9½ p.c.	20 p.c.			
	on and after January 1, 1971	8 p.c.	8½ p.c.	20 p.c.			
	on and after January 1, 1972	7½ p.c.	7½ p.c.	20 p.c.			
50710-1	Veneers of wood of any kind, not over five-sixteenths of an inch in thickness, taped or jointed.....	10 p.c.	18 p.c.	25 p.c.	10 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	10 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1970	10 p.c.	14 p.c.	25 p.c.			
	on and after January 1, 1971	10 p.c.	12 p.c.	25 p.c.			
	on and after January 1, 1972	10 p.c.	10 p.c.	25 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
50715-1	Plywood.....	17 p.c.	19 p.c.	35 p.c.	17½ p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	17 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	35 p.c.			
50720-1	Veeners, namely: Australian blackwood, walnut, silky oak, silkwood, blackbean, maple, Tasmanian myrtle, and eucalyptus, single-ply and not over three thirty-seconds of an inch in thickness.....	9½ p.c.	11½ p.c.	15 p.c.	10 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	9 p.c.	10½ p.c.	15 p.c.			
	on and after January 1, 1970	8½ p.c.	9½ p.c.	15 p.c.			
	on and after January 1, 1971	8 p.c.	8½ p.c.	15 p.c.			
	on and after January 1, 1972	7½ p.c.	7½ p.c.	15 p.c.			
50725-1	Plywood faced with metal on one or both sides.....	5 p.c.	19 p.c.	35 p.c.	5 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	5 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1970	5 p.c.	17 p.c.	35 p.c.			
	on and after January 1, 1971	5 p.c.	16 p.c.	35 p.c.			
	on and after January 1, 1972	5 p.c.	15 p.c.	35 p.c.			
50900-1	Vulcanized fibre, kartavert, indurated fibre, and like material, and manufactures thereof, n.o.p.....	17 p.c.	17 p.c.	25 p.c.	17½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	16½ p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1970	16 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1971	15½ p.c.	15½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	25 p.c.			
51100-1	Walking sticks and walking canes, of all kinds; golf clubs and finished parts thereof; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics, n.o.p.....	15 p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	23 p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1970	15 p.c.	22 p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1971	15 p.c.	21 p.c.	35 p.c.	Various	Various	Various
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			

51105-1	Cricket bats, balls, gloves and leg guards.....	Free	28 p.c.	35 p.c.	Free	30 p.c.	35 p.c.
	on and after January 1, 1969	Free	26 p.c.	35 p.c.			
	on and after January 1, 1970	Free	24 p.c.	35 p.c.			
	on and after January 1, 1971	Free	22 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
51120-1	Ski poles.....	19½ p.c.	19½ p.c.	35 p.c.	20 p.c.	20 p.c.	35 p.c.
	on and after January 1, 1969	19 p.c.	19 p.c.	35 p.c.			
	on and after January 1, 1970	18½ p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			
51200-1	Picture frames and photograph frames, of any material	17 p.c.	19 p.c.	30 p.c.	17½ p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	17 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	30 p.c.			
51300-1	Window cornices and cornice poles of all kinds.....	19 p.c.	23 p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	18 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1970	17 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	30 p.c.			
51400-1	Coffins and caskets, and metal parts thereof.....	17½ p.c.	22 p.c.	25 p.c.	17½ p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	25 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	25 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	25 p.c.			
51500-1	Show-cases, of all kinds, and metal parts thereof.....	22½ p.c.	24 p.c.	35 p.c.	22½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	22½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	21½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	20½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	35 p.c.			
51600-1	Blinds of wood, metal or other material, not textile or paper.....	Free	28 p.c.	35 p.c.	Free	30 p.c.	35 p.c.
	on and after January 1, 1969	Free	26 p.c.	35 p.c.			
	on and after January 1, 1970	Free	24 p.c.	35 p.c.			
	on and after January 1, 1971	Free	22 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
51700-1	Wire screens, wire doors and wire windows.....	19½ p.c.	23½ p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1970	19½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
51800-1 Bagatelle and other game tables or boards.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
51805-1 Billiard tables, with or without pockets; cues, balls, cue-racks and cue-tips.....	17½ p.c.	28 p.c.	35 p.c.	17½ p.c.	30 p.c.	35 p.c.
on and after January 1, 1969	17½ p.c.	26 p.c.	35 p.c.			
on and after January 1, 1970	17½ p.c.	24 p.c.	35 p.c.			
on and after January 1, 1971	17½ p.c.	22 p.c.	35 p.c.			
on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
House, office, cabinet or store furniture of wood, iron or other material, and parts thereof, not to include forgings, castings, and stampings of metal, in the rough:						
51901-1 Other than the following.....	15 p.c.	24 p.c.	45 p.c.	15 p.c.	25 p.c.	45 p.c.
on and after January 1, 1969	15 p.c.	23 p.c.	45 p.c.			
on and after January 1, 1970	15 p.c.	22 p.c.	45 p.c.			
on and after January 1, 1971	15 p.c.	21 p.c.	45 p.c.			
on and after January 1, 1972	15 p.c.	20 p.c.	45 p.c.			
51902-1 In chief part by value of metal.....	15 p.c.	23½ p.c.	45 p.c.	15 p.c.	25 p.c.	45 p.c.
on and after January 1, 1969	15 p.c.	22 p.c.	45 p.c.			
on and after January 1, 1970	15 p.c.	20½ p.c.	45 p.c.			
on and after January 1, 1971	15 p.c.	19 p.c.	45 p.c.			
on and after January 1, 1972	15 p.c.	17½ p.c.	45 p.c.			
52010-1 Cotton fibres, n.o.p., and carded sliver, wholly of cotton.....	5 p.c.	9 p.c.	12½ p.c.	5 p.c.	10 p.c.	12½ p.c.
on and after January 1, 1969	5 p.c.	8 p.c.	12½ p.c.			
on and after January 1, 1970	5 p.c.	7 p.c.	12½ p.c.			
on and after January 1, 1971	5 p.c.	6 p.c.	12½ p.c.			
on and after January 1, 1972	5 p.c.	5 p.c.	12½ p.c.			

Yarns and rovings, including threads, cords and  
twines, wholly of cotton:

52107-1	Other, n.o.p.....	15 p.c.	19½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			

Woven fabrics, wholly of cotton:

52201-1	Not bleached, mercerized nor coloured, n.o.p.....	15 p.c.	19½ p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	30 p.c.			
52202-1	Bleached or mercerized, not coloured, n.o.p.....	17½ p.c.	22 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
52203-1	Coloured, n.o.p.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
52204-1	Composed of yarns of counts of one hundred or more, including all such fabrics in which the average of the count of warp and weft yarns is one hundred or more, not including labels or name-tapes.....	Free	24 p.c.	35 p.c.	Free	25 p.c.	35 p.c.
	on and after January 1, 1969	Free	23 p.c.	35 p.c.			
	on and after January 1, 1970	Free	22 p.c.	35 p.c.			
	on and after January 1, 1971	Free	21 p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
52205-1	With cut pile.....	10 p.c.	24 p.c.	35 p.c.	10 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
52208-1	Not coloured, for use in the manufacture of ribbons for typewriters, calculators, or other office appliances.....	Free	12 p.c.	15 p.c.	Free	12½ p.c.	15 p.c.
	on and after January 1, 1969	Free	11½ p.c.	15 p.c.			
	on and after January 1, 1970	Free	11 p.c.	15 p.c.			
	on and after January 1, 1971	Free	10½ p.c.	15 p.c.			
	on and after January 1, 1972	Free	10 p.c.	15 p.c.			
52305-1	Clothing, wearing apparel and other articles, made from woven fabrics wholly of cotton; all textile manufactures, wholly or partially manufactured, the component fibre of which is wholly cotton, n.o.p.....	24½ p.c.	24½ p.c.	35 p.c.	25 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	24 p.c.	24 p.c.	35 p.c.			
	on and after January 1, 1970	23½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1971	23 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1972	22½ p.c.	22½ p.c.	35 p.c.			
52310-1	Handkerchiefs, wholly of cotton.....	12½ p.c.	26½ p.c.	35 p.c.	12½ p.c.	27½ p.c.	35 p.c.
	on and after January 1, 1969	12½ p.c.	25½ p.c.	35 p.c.			
	on and after January 1, 1970	12½ p.c.	24½ p.c.	35 p.c.			
	on and after January 1, 1971	12½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1972	12½ p.c.	22½ p.c.	35 p.c.			
52500-1	Woven fabrics, wholly of cotton, specially treated and glazed, when imported by rubber manufacturers for use, in their own factories, exclusively as a detachable protective covering for uncured rubber sheeting.....	Free	26½ p.c.	35 p.c.	Free	27½ p.c.	35 p.c.
	on and after January 1, 1969	Free	25½ p.c.	35 p.c.			
	on and after January 1, 1970	Free	24½ p.c.	35 p.c.			
	on and after January 1, 1971	Free	23½ p.c.	35 p.c.			
	on and after January 1, 1972	Free	22½ p.c.	35 p.c.			
52800-1	White cotton bobbinet, plain, in the web.....	Free	12 p.c.	25 p.c.	Free	12½ p.c.	25 p.c.
	on and after January 1, 1969	Free	11½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	11 p.c.	25 p.c.			
	on and after January 1, 1971	Free	10½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	10 p.c.	25 p.c.			

53010-1	Slivers, wholly or in part of wool, not containing man-made fibres or glass fibres.....	per pound	Free	9 cts.	15 cts.	Free	10 cts.	15 cts.
	on and after January 1, 1969, per pound		Free	8 cts.	15 cts.			
	on and after January 1, 1970, per pound		Free	7 cts.	15 cts.			
	on and after January 1, 1971, per pound		Free	6 cts.	15 cts.			
	on and after January 1, 1972, per pound		Free	5 cts.	15 cts.			
53020-1	Hair, curled or dyed, n.o.p.....		11½ p.c.	13½ p.c.	20 p.c.	12½ p.c.	15 p.c.	20 p.c.
	on and after January 1, 1969		10½ p.c.	12 p.c.	20 p.c.			
	on and after January 1, 1970		9½ p.c.	10½ p.c.	20 p.c.			
	on and after January 1, 1971		8½ p.c.	9 p.c.	20 p.c.			
	on and after January 1, 1972		7½ p.c.	7½ p.c.	20 p.c.			
53105-1	Rovings and yarns, fifty per cent or more, by weight, of hair.....		Free	9½ p.c.	20 p.c.	Free	10 p.c.	20 p.c.
	and, per pound				17½ cts.			17½ cts.
	on and after January 1, 1969		Free	9 p.c.	20 p.c.			
	and, per pound				17½ cts.			
	on and after January 1, 1970		Free	8½ p.c.	20 p.c.			
	and, per pound				17½ cts.			
53110-1	Rovings and yarns, wholly or in part of wool, or in part of hair, n.o.p.....		7½ p.c.	12 p.c.	22½ p.c.	7½ p.c.	12½ p.c.	22½ p.c.
	and, per pound		7 cts.	15.6 cts.	22½ cts.	7 cts.	17 cts.	22½ cts.
	on and after January 1, 1969		7½ p.c.	11½ p.c.	22½ p.c.			
	and, per pound		7 cts.	14.2 cts.	22½ cts.			
	on and after January 1, 1970		7½ p.c.	11 p.c.	22½ p.c.			
	and, per pound		7 cts.	12.8 cts.	22½ cts.			
53115-1	Rovings and yarns, wholly or in part of wool or hair, in measured skeins or balls.....		7½ p.c.	12 p.c.	22½ p.c.	7½ p.c.	12½ p.c.	22½ p.c.
	and, per pound		10 cts.	19 cts.	22½ cts.	10 cts.	20 cts.	22½ cts.
	on and after January 1, 1969		7½ p.c.	11½ p.c.	22½ p.c.			
	and, per pound		10 cts.	18 cts.	22½ cts.			
	on and after January 1, 1970		7½ p.c.	11 p.c.	22½ p.c.			
	and, per pound		10 cts.	17 cts.	22½ cts.			
53115-1	Rovings and yarns, wholly or in part of wool or hair, in measured skeins or balls.....		7½ p.c.	10½ p.c.	22½ p.c.			
	and, per pound		10 cts.	16 cts.	22½ cts.			
	on and after January 1, 1971		7½ p.c.	10½ p.c.	22½ p.c.			
	and, per pound		10 cts.	16 cts.	22½ cts.			
	on and after January 1, 1972		7½ p.c.	10 p.c.	22½ p.c.			
	and, per pound		10 cts.	15 cts.	22½ cts.			



Tariff Item	Present Rates						
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
53120-1	Yarns and warps, spun on the worsted system, composed wholly of wool or in part of wool or hair, imported by manufacturers for use in their own factories in the manufacture of woven fabrics in chief part by weight of wool or hair and not exceeding six ounces to the square yard, when in the gray or unfinished condition, under such regulations as may be prescribed by the Minister.....						
	Free	14 p.c.	20 p.c.	Free	15 p.c.	20 p.c.	
		and, per pound	14 cts.	17½ cts.	15 cts.	17½ cts.	
	on and after January 1, 1969	Free	13 p.c.	20 p.c.			
		and, per pound	13 cts.	17½ cts.			
	on and after January 1, 1970	Free	12 p.c.	20 p.c.			
		and, per pound	12 cts.	17½ p.c.			
	on and after January 1, 1971	Free	11 p.c.	20 p.c.			
		and, per pound	11 cts.	17½ cts.			
	on and after January 1, 1972	Free	10 p.c.	20 p.c.			
		and, per pound	10 cts.	17½ cts.			
53205-1	Woven fabrics composed wholly or in part of yarns of wool or hair, n.o.p.....						
	20 p.c.	27 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.	
	and, per pound	20 cts.	35.4 cts.	40 cts.	38 cts.	40 cts.	
	on and after January 1, 1969	20 p.c.	26½ p.c.	40 p.c.			
	and, per pound	20 cts.	32.8 cts.	40 cts.			
	on and after January 1, 1970	20 p.c.	26 p.c.	40 p.c.			
	and, per pound	20 cts.	30.2 cts.	40 cts.			
	on and after January 1, 1971	20 p.c.	25½ p.c.	40 p.c.			
	and, per pound	20 cts.	27.6 cts.	40 cts.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
	and, per pound	20 cts.	25 cts.	40 cts.			
	The total duty leviable shall not be in excess of....						
	60 cts.	—	—	60 cts.	—	—	

53210-1	Woven fabrics composed wholly or in part of yarns of wool or hair and weighing not less than twelve ounces to the square yard.....	20 p.c.	27 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.
	and, per pound	15 cts.	31.4 cts.	40 cts.	15 cts.	33 cts.	40 cts.
	on and after January 1, 1969	20 p.c.	26½ p.c.	40 p.c.			
	and, per pound	15 cts.	29.8 cts.	40 cts.			
	on and after January 1, 1970	20 p.c.	26 p.c.	40 p.c.			
	and, per pound	15 cts.	28.2 cts.	40 cts.			
	on and after January 1, 1971	20 p.c.	25½ p.c.	40 p.c.			
	and, per pound	15 cts.	26.6 cts.	40 cts.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
	and, per pound	15 cts.	25 cts.	40 cts.			

The total duty leviable shall not be in excess of . . .  
 .....per pound 55 cts. — — 55 cts. — —

53215-1	Woven fabrics composed wholly or in chief part by weight of yarns of wool or hair and weighing not more than nine ounces to the square yard, n.o.p....	20 p.c.	27 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.
	and, per pound	20 cts.	35.4 cts.	40 cts.	20 cts.	38 cts.	40 cts.
	on and after January 1, 1969	20 p.c.	26½ p.c.	40 p.c.			
	and, per pound	20 cts.	32.8 cts.	40 cts.			
	on and after January 1, 1970	20 p.c.	26 p.c.	40 p.c.			
	and, per pound	20 cts.	30.2 cts.	40 cts.			
	on and after January 1, 1971	20 p.c.	25½ p.c.	40 p.c.			
	and, per pound	20 cts.	27.6 cts.	40 cts.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
	and, per pound	20 cts.	25 cts.	40 cts.			

The total duty leviable shall not be in excess of . . .  
 .....per pound 60 cts. \$1.10 — 60 cts. \$1.10 —

53220-1	Woven fabrics, composed wholly or in chief part by weight of yarns of wool or hair, not exceeding in weight four ounces to the square yard, when imported in the gray or unfinished condition, for the purpose of being dyed or finished in Canada.....	Free	20 p.c.	30 p.c.	Free	20 p.c.	30 p.c.
	and, per pound		12 cts.	20 cts.		15 cts.	20 cts.
	on and after January 1, 1969	Free	20 p.c.	30 p.c.			
	and, per pound		9 cts.	20 cts.			
	on and after January 1, 1970	Free	20 p.c.	30 p.c.			
	and, per pound		6 cts.	20 cts.			
	on and after January 1, 1971	Free	20 p.c.	30 p.c.			
	and, per pound		3 cts.	20 cts.			
	on and after January 1, 1972	Free	20 p.c.	30 p.c.			
	and, per pound		20 cts.	20 cts.			



Tariff Item	Present Rates						
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
53225-1	Woven fabrics composed wholly or in part of yarns of wool, imported in the web in lengths of not less than five yards each, for use exclusively in the manufacture of neckties, matching necktie and pocket puff sets, scarves or mufflers, but not including such fabrics for use as interlining.....						
	Free	14 p.c.	40 p.c.	Free	15 p.c.	40 p.c.	
	and, per pound		40 cts.			40 cts.	
	on and after January 1, 1969	Free	13 p.c.	40 p.c.	Various	Various	
	and, per pound		40 cts.	40 cts.			
	on and after January 1, 1970	Free	12 p.c.	40 p.c.			
	and, per pound		40 cts.	40 cts.			
	on and after January 1, 1971	Free	11 p.c.	40 p.c.			
	and, per pound		40 cts.	40 cts.			
	on and after January 1, 1972	Free	10 p.c.	40 p.c.			
	and, per pound		40 cts.	40 cts.			
	In the case of such fabrics weighing not more than nine ounces to the square yard, the total duty leviable shall not be in excess of.....per pound						
	—	\$1.10	—	—	\$1.10	—	
53230-1	Woven billiard cloth composed wholly or in part of wool or hair; melton cloth for use in the manufacture of tennis balls.....						
	Free	20 p.c.	40 p.c.	Free	20 p.c.	40 p.c.	
	and, per pound		20 cts.		25 cts.	35 cts.	
	on and after January 1, 1969	Free	20 p.c.	40 p.c.	Various	Various	
	and, per pound		15 cts.	35 cts.			
	on and after January 1, 1970	Free	20 p.c.	40 p.c.			
	and, per pound		10 cts.	35 cts.			
	on and after January 1, 1971	Free	20 p.c.	40 p.c.			
	and, per pound		5 cts.	35 cts.			
	on and after January 1, 1972	Free	20 p.c.	40 p.c.			
	and, per pound		35 cts.	35 cts.			
53235-1	Haircloth, composed of horsehair in combination with any vegetable fibre.....						
	17½ p.c.	26 p.c.	30 p.c.	17½ p.c.	27½ p.c.	30 p.c.	
	on and after January 1, 1969	17½ p.c.	24½ p.c.	30 p.c.	Various	Various	
	on and after January 1, 1970	17½ p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1971	17½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			

53305-1	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of wool or hair, when the textile component thereof is not more than fifty per cent, by weight, of silk, n.o.p.	24½ p.c.	27 p.c.	55 p.c.	25 p.c.	27½ p.c.	55 p.c.
	on and after January 1, 1969	24 p.c.	26½ p.c.	55 p.c.			
	on and after January 1, 1970	23½ p.c.	26 p.c.	55 p.c.			
	on and after January 1, 1971	23 p.c.	25½ p.c.	55 p.c.			
	on and after January 1, 1972	22½ p.c.	25 p.c.	55 p.c.			
53310-1	Felt, pressed, in the web, wholly or in part of wool, not consisting of or in combination with any woven, knitted or other fabric or material	12½ p.c.	17½ p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	and, per pound		10 cts.	20 cts.		12½ cts.	20 cts.
	on and after January 1, 1969	12½ p.c.	17½ p.c.	25 p.c.			
	and, per pound		7½ cts.	20 cts.			
	on and after January 1, 1970	12½ p.c.	17½ p.c.	25 p.c.			
	and, per pound		5 cts.	20 cts.			
	on and after January 1, 1971	12½ p.c.	17½ p.c.	25 p.c.			
	and, per pound		2½ cts.	20 cts.			
	on and after January 1, 1972	12½ p.c.	17½ p.c.	25 p.c.			
	and, per pound		17½ p.c.	20 cts.			
53405-1	Household blankets of any material except wholly of cotton	20 p.c.	21 p.c.	40 p.c.	20 p.c.	20 p.c.	40 p.c.
	and, per pound	4 cts.	12 cts.	30 cts.	5 cts.	15 cts.	30 cts.
	on and after January 1, 1969	20 p.c.	22 p.c.	40 p.c.			
	and, per pound	3 cts.	9 cts.	30 cts.			
	on and after January 1, 1970	20 p.c.	23 p.c.	40 p.c.			
	and, per pound	2 cts.	6 cts.	30 cts.			
	on and after January 1, 1971	20 p.c.	24 p.c.	40 p.c.			
	and, per pound	1 ct.	3 cts.	30 cts.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
	and, per pound		30 cts.	30 cts.			
53410-1	Automobile rugs, steamer rugs, travel rugs and similar articles of any material except wholly of cotton	20 p.c.	21 p.c.	40 p.c.	20 p.c.	20 p.c.	40 p.c.
	and, per pound	4 cts.	12 cts.	30 cts.	5 cts.	15 cts.	30 cts.
	The total duty leviable shall not be in excess of....		37½ p.c.			37½ p.c.	
	on and after January 1, 1969	20 p.c.	22 p.c.	40 p.c.			
	and, per pound	3 cts.	9 cts.	30 cts.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
53410-1 (Cont'd)	The total duty leviable shall not be in excess of...		37½ p.c.				
	on and after January 1, 1970	20 p.c.	23 p.c.	40 p.c.			
	and, per pound	2 cts.	6 cts.	30 cts.			
	The total duty leviable shall not be in excess of...		37½ p.c.				
	on and after January 1, 1971	20 p.c.	24 p.c.	40 p.c.			
	and, per pound	1 ct.	3 cts.	30 cts.			
	The total duty leviable shall not be in excess of...		37½ p.c.				
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
	and, per pound			30 cts.			
54010-1	Grasses, seaweed, mosses and vegetable fibres other than cotton, n.o.p.; bagasse of sugar cane, whether or not dried, cleaned, cut to size, ground or sifted..	Free	Free	17½ p.c.	Free	10 p.c.	17½ p.c.
	Yarns and rovings, including threads, cords and twines, wholly or in part of vegetable fibres, n.o.p., not containing silk, wool or hair, man-made fibres or filaments nor glass fibres or filaments:						
54105-1	Linen thread for hand or machine sewing.....	Free	16 p.c.	25 p.c.	Free	17½ p.c.	25 p.c.
	on and after January 1, 1969	Free	14½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	13 p.c.	25 p.c.			
	on and after January 1, 1971	Free	11½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	10 p.c.	25 p.c.			
54107-1	Singles, n.o.p.....	12½ p.c.	17 p.c.	25 p.c.	12½ p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1970	12½ p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1971	12½ p.c.	15½ p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	15 p.c.	25 p.c.			
54120-1	Cordage, exceeding one inch in circumference, wholly of vegetable fibres, n.o.p.....	17½ p.c.	22 p.c.	25 p.c.	17½ p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	25 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	25 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	25 p.c.			

54125-1	Cordage, exceeding one inch in circumference, n.o.p...	19½ p.c.	22 p.c.	25 p.c.	20 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	25 p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	25 p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	25 p.c.			
54205-1	Woven fabrics, wholly or in part of vegetable fibres, and all such fabrics with cut pile, n.o.p., not containing silk, wool or hair, man-made fibres or filaments nor glass fibres or filaments.....	17½ p.c.	22 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
54210-1	Woven fabrics, wholly of jute.....	Free	Free	15 p.c.	Free	5 cts. per 100 lineal yards	15 p.c.
	Woven fabrics, in the web, wholly of flax or hemp:						
54215-1	Towelling and glass-cloth of crash or huck; table-cloth and napkin fabrics of crash.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
54216-1	Other.....	Free	22 p.c.	35 p.c.	Free	22½ p.c.	35 p.c.
	on and after January 1, 1969	Free	21½ p.c.	35 p.c.			
	on and after January 1, 1970	Free	21 p.c.	35 p.c.			
	on and after January 1, 1971	Free	20½ p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			
54305-1	Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of vegetable fibres, n.o.p., when the textile component is not more than fifty per cent, by weight, of silk nor fifty per cent or more, by weight, of man-made fibres or filaments or glass fibres or filaments, not containing wool or hair.....	24½ p.c.	24½ p.c.	35 p.c.	25 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	24 p.c.	24 p.c.	35 p.c.			
	on and after January 1, 1970	23½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1971	23 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1972	22½ p.c.	22½ p.c.	35 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
54310-1	Towels and glass-cloths of crash or huck, table-cloths and napkins of crash, wholly in or part of flax or hemp, not containing more than fifty per cent, by weight, of silk nor fifty per cent or more, by weight, of man-made fibres or filaments or glass fibres or filaments, nor wool or hair.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
54315-1	Articles made from woven fabrics wholly of jute and all textile manufactures, wholly or partially manufactured, the textile component of which is wholly of jute, n.o.p.; jute fabric backed with paper.....	12½ p.c.	22 p.c.	30 p.c.	12½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	30 p.c.			
54320-1	Sheets, pillow-cases, bed-spreads, dresser-scarves, doilies, tray-cloths, table-cloths, napkins, towels, glass-cloths and handkerchiefs, wholly of flax or hemp, but not to include towels or glass-cloths of crash or huck, nor table-cloths and napkins of crash	Free	22 p.c.	35 p.c.	Free	22½ p.c.	35 p.c.
	on and after January 1, 1969	Free	21½ p.c.	35 p.c.			
	on and after January 1, 1970	Free	21 p.c.	35 p.c.			
	on and after January 1, 1971	Free	20½ p.c.	35 p.c.			
	on and after January 1, 1972	Free	20 p.c.	35 p.c.			

Hemming, hemstitching or embroidering with cotton thread of the foregoing articles, or the weaving of cotton thread in the borders of the handkerchiefs, will not remove such goods from this item.

54325-1	Bags or sacks of jute, hemp, linen or sisal.....	12½ p.c.	14½ p.c.	20 p.c.	12½ p.c.	15 p.c.	20 p.c.
	on and after January 1, 1969	12½ p.c.	14 p.c.	20 p.c.			
	on and after January 1, 1970	12½ p.c.	13½ p.c.	20 p.c.			
	on and after January 1, 1971	12½ p.c.	13 p.c.	20 p.c.			
	on and after January 1, 1972	12½ p.c.	12½ p.c.	20 p.c.			

Yarns and rovings, wholly of silk, degummed or not:

55106-1	Not further advanced than thrown or spun.....	Free	7 p.c.	10 p.c.	Free	7½ p.c.	10 p.c.
	on and after January 1, 1969	Free	6½ p.c.	10 p.c.			
	on and after January 1, 1970	Free	6 p.c.	10 p.c.			
	on and after January 1, 1971	Free	5½ p.c.	10 p.c.			
	on and after January 1, 1972	Free	5 p.c.	10 p.c.			
55107-1	N.o.p., including threads, cords or twines.....	12½ p.c.	19 p.c.	25 p.c.	12½ p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1970	12½ p.c.	17 p.c.	25 p.c.			
	on and after January 1, 1971	12½ p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	15 p.c.	25 p.c.			
55110-1	Yarns and rovings of silk and vegetable fibres.....	12½ p.c.	19 p.c.	25 p.c.	12½ p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	12½ p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1970	12½ p.c.	17 p.c.	25 p.c.			
	on and after January 1, 1971	12½ p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1972	12½ p.c.	15 p.c.	25 p.c.			
55205-1	Woven fabrics, more than fifty per cent, by weight, of silk, not containing wool or hair.....	12½ p.c.	22 p.c.	45 p.c.	12½ p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	45 p.c.			
55210-1	Woven fabrics of silk and vegetable fibres, n.o.p.....	12½ p.c.	22 p.c.	45 p.c.	12½ p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	45 p.c.			

The following, when the textile component thereof is more than fifty per cent, by weight, of silk:

55301-1	Handkerchiefs, made from woven fabric.....	19½ p.c.	22 p.c.	45 p.c.	20 p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	45 p.c.			



Tariff Item		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
55302-1	Headsquares, scarves or mufflers, made from woven fabrics.....	19½ p.c.	22 p.c.	45 p.c.	20 p.c.	22½ p.c.	45 p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	45 p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	45 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	45 p.c.			
55303-1	Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured.....	27½ p.c.	29 p.c.	45 p.c.	27½ p.c.	30 p.c.	45 p.c.
	on and after January 1, 1969	27½ p.c.	28 p.c.	45 p.c.			
	on and after January 1, 1970	26½ p.c.	27 p.c.	45 p.c.			
	on and after January 1, 1971	25½ p.c.	26 p.c.	45 p.c.			
	on and after January 1, 1972	25 p.c.	25 p.c.	45 p.c.			
55910-1	Waste portions of unused fabrics, n.o.p., not to include remnants or mill ends.....	7 p.c.	9 p.c.	20 p.c.	7½ p.c.	10 p.c.	20 p.c.
	on and after January 1, 1969	6½ p.c.	8 p.c.	20 p.c.			
	on and after January 1, 1970	6 p.c.	7 p.c.	20 p.c.			
	on and after January 1, 1971	5½ p.c.	6 p.c.	20 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	20 p.c.			
55920-1	Garnetted material, obtained by disintegrating yarns or fabrics, n.o.p.....	7 p.c.	9 p.c.	20 p.c.	7½ p.c.	10 p.c.	20 p.c.
	on and after January 1, 1969	6½ p.c.	8 p.c.	20 p.c.			
	on and after January 1, 1970	6 p.c.	7 p.c.	20 p.c.			
	on and after January 1, 1971	5½ p.c.	6 p.c.	20 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	20 p.c.			
55930-1	Washed wiping rags, trimmed or untrimmed; machined wiping wastes or machined journal-box packing wastes.....	7 p.c.	9 p.c.	20 p.c.	7½ p.c.	10 p.c.	20 p.c.
	on and after January 1, 1969	6½ p.c.	8 p.c.	20 p.c.			
	on and after January 1, 1970	6 p.c.	7 p.c.	20 p.c.			
	on and after January 1, 1971	5½ p.c.	6 p.c.	20 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	20 p.c.			

55935-1	Batts, batting and wadding of wool, cotton or other textile fibre, n.o.p.	10 p.c.	17 p.c.	25 p.c.	10 p.c.	17½ p.c.	25 p.c.
	on and after January 1, 1969	10 p.c.	16½ p.c.	25 p.c.			
	on and after January 1, 1970	10 p.c.	16 p.c.	25 p.c.			
	on and after January 1, 1971	10 p.c.	15½ p.c.	25 p.c.			
	on and after January 1, 1972	10 p.c.	15 p.c.	25 p.c.			
56005-1	Man-made fibres or glass fibres, not exceeding twelve inches in length.	5 p.c.	12 p.c.	15 p.c.	5 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	11½ p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	11 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	10½ p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	10 p.c.	15 p.c.			
56010-1	Sliver, wholly or in part of man-made fibres or of glass fibres.	5 p.c.	12 p.c.	15 p.c.	5 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	11½ p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	11 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	10½ p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	10 p.c.	15 p.c.			
56015-1	Man-made filaments or glass filaments imported for converting into lengths not exceeding twelve inches, for use in the manufacture of textile yarns or flock.	5 p.c.	12 p.c.	15 p.c.	5 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	11½ p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	11 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	10½ p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	10 p.c.	15 p.c.			
56025-1	Man-made filaments imported for use in the manufacture of cigarette filter tips.	5 p.c.	12 p.c.	15 p.c.	5 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	11½ p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	11 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	10½ p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	10 p.c.	15 p.c.			
56105-1	Yarns and rovings, wholly of man-made fibres or filaments or of glass fibres or filaments, not more advanced than singles, not coloured, with not more than seven turns to the inch.	20 p.c.	20 p.c.	35 p.c.	20 p.c.	22½ p.c.; minimum	35 p.c.; minimum
	and, per pound		2 cts.	20 cts.		22 cts. per pound	28 cts. per pound



Tariff Item		Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
56105-1 (Cont'd)	except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....		2 p.c.				
	and, per pound		19.6 cts.				
	on and after January 1, 1969	20 p.c.	17½ p.c.	35 p.c.			
	and, per pound		4 cts.	20 cts.			
	except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....		4 p.c.				
	and, per pound		17.2 cts.				
	on and after January 1, 1970	20 p.c.	15 p.c.	35 p.c.			
	and, per pound		6 cts.	20 cts.			
	except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....		6 p.c.				
	and, per pound		14.8 cts.				
	on and after January 1, 1971	20 p.c.	12½ p.c.	35 p.c.			
	and, per pound		8 cts.	20 cts.			
	except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....		8 p.c.				
	and, per pound		12.4 cts.				
	on and after January 1, 1972	20 p.c.	10 p.c.	35 p.c.			
	and, per pound		10 cts.	20 cts.			
56110-1	Yarns and rovings, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, including threads, cords or twines, not containing wool or hair.....	22½ p.c.	20 p.c.	35 p.c.	22½ p.c.	22½ p.c.; minimum	35 p.c.; minimum
	and, per pound		2 cts.	20 cts.		22 cts. per pound	28 cts. per pound

except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....

2 p.c.  
19.6 cts.

and, per pound

on and after January 1, 1969  
and, per pound

22½ p.c.

17½ p.c. 35 p.c.  
4 cts. 20 cts.

except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....

4 p.c.  
17.2 cts.

and, per pound

on and after January 1, 1970  
and, per pound

22½ p.c.

15 p.c. 35 p.c.  
6 cts. 20 cts.

except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....

6 p.c.  
14.8 cts.

and, per pound

on and after January 1, 1971  
and, per pound

22½ p.c.

12½ p.c. 35 p.c.  
8 cts. 20 cts.

except that on goods valued at less than one dollar per pound the duty under the Most-Favoured-Nation tariff shall be.....

8 p.c.  
12.4 cts.

and, per pound

on and after January 1, 1972  
and, per pound

22½ p.c.

10 p.c. 35 p.c.  
10 cts. 20 cts.

56120-1 Yarns and rovings, including threads, cords or twines, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, for use in the manufacture of fabrics for conveyor or transmission belts or belting containing rubber.....

12½ p.c.

22 p.c. 35 p.c.

12½ p.c.

22½ p.c.

35 p.c.

on and after January 1, 1969

12½ p.c.

21½ p.c. 35 p.c.

on and after January 1, 1970

12½ p.c.

21 p.c. 35 p.c.

on and after January 1, 1971

12½ p.c.

20½ p.c. 35 p.c.

on and after January 1, 1972

12½ p.c.

20 p.c. 35 p.c.

Woven fabrics, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair, not including fabrics more than fifty per cent, by weight, of silk:



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
56205-1	Exceeding twelve inches in width.....	22½ p.c.	29 p.c.	22½ p.c.	30 p.c.	45 p.c.
	and, per pound		19 cts.		20 cts.	40 cts.
	on and after January 1, 1969	22½ p.c.	28 p.c.			45 p.c.
	and, per pound		18 cts.			40 cts.
	on and after January 1, 1970	22½ p.c.	27 p.c.			45 p.c.
	and, per pound		17 cts.			40 cts.
	on and after January 1, 1971	22½ p.c.	26 p.c.			45 p.c.
	and, per pound		16 cts.			40 cts.
	on and after January 1, 1972	22½ p.c.	25 p.c.			45 p.c.
	and, per pound		15 cts.			40 cts.
56206-1	Not exceeding twelve inches in width.....	24½ p.c.	27 p.c.	25 p.c.	27½ p.c.	55 p.c.
	on and after January 1, 1969	24 p.c.	26½ p.c.			55 p.c.
	on and after January 1, 1970	23½ p.c.	26 p.c.			55 p.c.
	on and after January 1, 1971	23 p.c.	25½ p.c.			55 p.c.
	on and after January 1, 1972	22½ p.c.	25 p.c.			55 p.c.
	Woven fabrics containing five per cent or less, by weight, of man-made fibres or filaments or of glass fibres or filaments shall not be dutiable under items 56205-1 and 56206-1 but shall be dutiable as though composed wholly of the remaining constituents.					
56210-1	Woven fabrics with cut pile, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair.....	20 p.c.	29 p.c.	20 p.c.	30 p.c.	45 p.c.
	on and after January 1, 1969	20 p.c.	28 p.c.			45 p.c.
	on and after January 1, 1970	20 p.c.	27 p.c.			45 p.c.
	on and after January 1, 1971	20 p.c.	26 p.c.			45 p.c.
	on and after January 1, 1972	20 p.c.	25 p.c.			45 p.c.
56225-1	Woven fabrics, wholly or in part of silk or of man-made fibres or filaments, imported in lengths of not less than five yards, by manufacturers of neckties,					

	for use in the manufacture of neckties, or matching necktie and pocket puff sets, but not including such fabrics for use as interlining.....	14 p.c.	14 p.c.	45 p.c.	15 p.c.	15 p.c.	45 p.c.
56230-1	on and after January 1, 1969	13 p.c.	13 p.c.	45 p.c.	Various	Various	Various
	on and after January 1, 1970	12 p.c.	12 p.c.	45 p.c.			
	on and after January 1, 1971	11 p.c.	11 p.c.	45 p.c.			
	on and after January 1, 1972	10 p.c.	10 p.c.	45 p.c.			
56230-1	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or filaments, not to contain silk or wool, for use in the manufacture of pneumatic tires, n.o.p.....	7½ p.c.	8½ p.c.	45 p.c.	7½ p.c.	7½ p.c.	45 p.c.
	and, per pound		6 cts.	32 cts.			
	on and after January 1, 1969	7½ p.c.	9½ p.c.	45 p.c.			40 cts.
	and, per pound		4½ cts.	24 cts.			
	on and after January 1, 1970	7½ p.c.	10½ p.c.	45 p.c.			
	and, per pound		3 cts.	16 cts.			
	on and after January 1, 1971	7½ p.c.	11½ p.c.	45 p.c.			
	and, per pound		1½ cts.	8 cts.			
	on and after January 1, 1972	7½ p.c.	12½ p.c.	45 p.c.			
56235-1	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or filaments, not to contain silk or wool, coated with a rubber composition, when imported by manufacturers of rubber tires, to be incorporated by them in pneumatic tires, in their own factories.....	Free	14½ p.c.	45 p.c.	Free	15 p.c.	45 p.c.
	on and after January 1, 1969	Free	14 p.c.	45 p.c.			
	on and after January 1, 1970	Free	13½ p.c.	45 p.c.			
	on and after January 1, 1971	Free	13 p.c.	45 p.c.			
	on and after January 1, 1972	Free	12½ p.c.	45 p.c.			
56240-1	Woven fabrics, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, whether or not coated or impregnated, when imported by manufacturers of conveyor or transmission belts or belting containing rubber, for use in the manufacture of such belts or belting.....	15 p.c.	27 p.c.	45 p.c.	15 p.c.	27½ p.c.	45 p.c.
	on and after January 1, 1969	15 p.c.	26½ p.c.	45 p.c.			
	on and after January 1, 1970	15 p.c.	26 p.c.	45 p.c.			
	on and after January 1, 1971	15 p.c.	25½ p.c.	45 p.c.			
	on and after January 1, 1972	15 p.c.	25 p.c.	45 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
56300-1 Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, the textile component of which is fifty per cent or more, by weight, of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair.....	20 p.c.	27 p.c.	50 p.c.			
on and after January 1, 1969	20 p.c.	26½ p.c.	50 p.c.	20 p.c.	27½ p.c.	50 p.c.
on and after January 1, 1970	20 p.c.	26 p.c.	50 p.c.			
on and after January 1, 1971	20 p.c.	25½ p.c.	50 p.c.			
on and after January 1, 1972	20 p.c.	25 p.c.	50 p.c.			
56500-1 Saris of any material.....	15 p.c.	15 p.c.	50 p.c.	20 p.c.	22½ p.c.	50 p.c.
56510-1 Braids of all kinds, n.o.p.....	20 p.c.	24½ p.c.	40 p.c.	20 p.c.	25 p.c.	40 p.c.
on and after January 1, 1969	20 p.c.	24 p.c.	40 p.c.			
on and after January 1, 1970	20 p.c.	23½ p.c.	40 p.c.			
on and after January 1, 1971	20 p.c.	23 p.c.	40 p.c.			
on and after January 1, 1972	20 p.c.	22½ p.c.	40 p.c.			
56515-1 Linen fire-hose, lined or unlined, with or without attached couplings.....	15 p.c.	29 p.c.	35 p.c.	15 p.c.	30 p.c.	35 p.c.
on and after January 1, 1969	15 p.c.	28 p.c.	35 p.c.			
on and after January 1, 1970	15 p.c.	27 p.c.	35 p.c.			
on and after January 1, 1971	15 p.c.	26 p.c.	35 p.c.			
on and after January 1, 1972	15 p.c.	25 p.c.	35 p.c.			
Seamless woven textile jackets, in tubular form, for use in the manufacture of fire-hose; fire-hose made from such jackets, with or without attached couplings:						
56520-1 The textile component of which is wholly cotton...	20 p.c.	22 p.c.	40 p.c.	20 p.c.	22½ p.c.	40 p.c.
on and after January 1, 1969	20 p.c.	21½ p.c.	40 p.c.			
on and after January 1, 1970	20 p.c.	21 p.c.	40 p.c.			
on and after January 1, 1971	20 p.c.	20½ p.c.	40 p.c.			
on and after January 1, 1972	20 p.c.	20 p.c.	40 p.c.			

56521-1	The textile component of which is other than wholly cotton.....	22½ p.c.	27 p.c.	45 p.c.	22½ p.c.	27½ p.c.	45 p.c.
	on and after January 1, 1969	22½ p.c.	26½ p.c.	45 p.c.			
	on and after January 1, 1970	22½ p.c.	26 p.c.	45 p.c.			
	on and after January 1, 1971	22½ p.c.	25½ p.c.	45 p.c.			
	on and after January 1, 1972	22½ p.c.	25 p.c.	45 p.c.			
Lace and netting, other than woven, bobbinet, embroideries, n.o.p.							
56611-1	Wholly or in part of other textile fibres or filaments	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
56700-1	Sails for boats and ships; textile fabrics, in the web or with fused edges, for use in the manufacture of such sails.....	15 p.c.	22 p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	25 p.c.			
56805-1	Knitted garments, knitted fabrics and knitted goods, n.o.p.....	20 p.c.	33½ p.c.	55 p.c.	20 p.c.	35 p.c.	55 p.c.
	on and after January 1, 1969	20 p.c.	32 p.c.	55 p.c.			
	on and after January 1, 1970	20 p.c.	30½ p.c.	55 p.c.			
	on and after January 1, 1971	20 p.c.	29 p.c.	55 p.c.			
	on and after January 1, 1972	20 p.c.	27½ p.c.	55 p.c.			
56810-1	Knitted garments, women's and girls', wholly or in chief part by weight of wool or hair, valued at not less than \$9.00 per pound.....	20 p.c.	31½ p.c.	55 p.c.	20 p.c.	32½ p.c.	55 p.c.
	on and after January 1, 1969	20 p.c.	30½ p.c.	55 p.c.			
	on and after January 1, 1970	20 p.c.	29½ p.c.	55 p.c.			
	on and after January 1, 1971	20 p.c.	28½ p.c.	55 p.c.			
	on and after January 1, 1972	20 p.c.	27½ p.c.	55 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates			
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
Socks and stockings:								
56820-1	Wholly or in chief part, by weight, of wool.....	20 p.c.	26 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.	
	and, per dozen pairs	30 cts.	\$1.08	\$1.50	30 cts.	\$1.20	\$1.50	
	on and after January 1, 1969	20 p.c.	24½ p.c.	40 p.c.				
	and, per dozen pairs	30 cts.	96 cts.	\$1.50				
	on and after January 1, 1970	20 p.c.	23 p.c.	40 p.c.				
	and, per dozen pairs	30 cts.	84 cts.	\$1.50				
	on and after January 1, 1971	20 p.c.	21½ p.c.	40 p.c.				
	and, per dozen pairs	30 cts.	72 cts.	\$1.50				
56821-1	N.o.p.....	17½ p.c.	17½ p.c.	35 p.c.	17½ p.c.	17½ p.c.	35 p.c.	
	and, per dozen pairs		68 cts.	\$1.50		75 cts.	\$1.50	
	on and after January 1, 1969	17½ p.c.	17½ p.c.	35 p.c.				
	and, per dozen pairs		61 cts.	\$1.50				
	on and after January 1, 1970	17½ p.c.	17½ p.c.	35 p.c.				
	and, per dozen pairs		54 cts.	\$1.50				
	on and after January 1, 1971	17½ p.c.	17½ p.c.	35 p.c.				
	and, per dozen pairs		47 cts.	\$1.50				
56905-1	Hats, hoods and shapes of fur felt or of wool-and-fur felt.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.	
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.				
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.				
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.				
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.				
	56910-1	Hoods and shapes, caps, bonnets and berets, n.o.p....	22½ p.c.	29 p.c.	45 p.c.	22½ p.c.	30 p.c.	45 p.c.
		on and after January 1, 1969	22½ p.c.	28 p.c.	45 p.c.			
		on and after January 1, 1970	22½ p.c.	27 p.c.	45 p.c.			
on and after January 1, 1971		22½ p.c.	26 p.c.	45 p.c.				
on and after January 1, 1972		22½ p.c.	25 p.c.	45 p.c.				

56915-1	Hats, n.o.p.....	20 p.c.	25 p.c.	37 p.c.	20 p.c.	25 p.c.	35 p.c.
	and, per dozen	60 cts.	80 cts.	\$1.20	75 cts.	\$1.00	\$1.50
	on and after January 1, 1969	20 p.c.	25 p.c.	39 p.c.			
	and, per dozen	45 cts.	60 cts.	90 cts.			
	on and after January 1, 1970	20 p.c.	25 p.c.	41 p.c.			
57000-1	Mats, door or carriage, other than metal, n.o.p.....	25 p.c.	29 p.c.	35 p.c.	25 p.c.	30 p.c.	35 p.c.
	on and after January 1, 1969	25 p.c.	28 p.c.	35 p.c.			
	on and after January 1, 1970	25 p.c.	27 p.c.	35 p.c.			
	on and after January 1, 1971	25 p.c.	26 p.c.	35 p.c.			
	on and after January 1, 1972	25 p.c.	25 p.c.	35 p.c.			
57010-1	Carpeting, rugs, mats and matting of paper; stair pads	15 p.c.	22 p.c.	30 p.c.	15 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
57015-1	Carpeting, rugs, mats and matting of sisal, palm straw or cane straw.....	10 p.c.	10 p.c.	25 p.c.	15 p.c.	17½ p.c.	25 p.c.
57105-1	Mats with cut pile, of cocoa fibre.....per square foot	Free	Free	5 cts.	2 cts.	2½ cts.	5 cts.
57110-1	Mats, rugs, carpeting and matting of cocoa fibre, n.o.p.....per square foot	Free	Free	10 cts.	6½ cts.	7 cts.	10 cts.
57200-1	Oriental and imitation Oriental rugs or carpets and carpeting, carpets and rugs, n.o.p.....	24 p.c.	24 p.c.	40 p.c.	25 p.c.	25 p.c.	40 p.c.
	and, per square foot		5 cts.	20 cts.		5 cts.	20 cts.
	on and after January 1, 1969	23 p.c.	23 p.c.	40 p.c.			
	and, per square foot		5 cts.	20 cts.			
	on and after January 1, 1970	22 p.c.	22 p.c.	40 p.c.			
57205-1	Carpets of sisal, palm straw or cane straw.....	10 p.c.	10 p.c.	40 p.c.	17½ p.c.	17½ p.c.	40 p.c.
	on and after January 1, 1971	21 p.c.	21 p.c.	40 p.c.			
	and, per square foot		5 cts.	20 cts.			
	on and after January 1, 1972	20 p.c.	20 p.c.	40 p.c.			
	and, per square foot		5 cts.	20 cts.			



Tariff Item	—	Present Rates					
		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
57300-1	Enamelled carriage, shelf and table oilcloth, and cork matting or carpets. . . . .	15 p.c.	26 p.c.	35 p.c.	15 p.c.	27½ p.c.	35 p.c. plus 4 cts. per pound
	on and after January 1, 1969	15 p.c.	24½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
57305-1	Linoleum; felt base floor covering not including such materials in which are incorporated synthetic resin sheets or cellulose plastic sheets. . . . .	15 p.c.	24 p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c. plus 4 cts. per pound
	on and after January 1, 1969	15 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
	Coated or impregnated fabrics, containing textile fabric, produced by any method, including lamination, if the weight of the textile fabric is less than two-thirds of the weight of the coated or impregnated fabric:						
57401-1	The textile fabric being wholly or in part of man-made fibres or filaments or of glass fibres or filaments. . . . .	26½ p.c.	31½ p.c.	50 p.c.	27½ p.c.	32½ p.c.	50 p.c.
	on and after January 1, 1969	25½ p.c.	30½ p.c.	50 p.c.			
	on and after January 1, 1970	24½ p.c.	29½ p.c.	50 p.c.			
	on and after January 1, 1971	23½ p.c.	28½ p.c.	50 p.c.			
	on and after January 1, 1972	22½ p.c.	27½ p.c.	50 p.c.			
57402-1	The textile fabric not being wholly or in part of man-made fibres or filaments or of glass fibres or filaments. . . . .	20 p.c.	24½ p.c.	40 p.c.	20 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	20 p.c.	24 p.c.	40 p.c.			
	on and after January 1, 1970	20 p.c.	23½ p.c.	40 p.c.			
	on and after January 1, 1971	20 p.c.	23 p.c.	40 p.c.			
	on and after January 1, 1972	20 p.c.	22½ p.c.	40 p.c.			

57410-1	Canvas in the web, wholly of flax or hemp, or both, plain woven, coloured or not, treated with weather-proofing or preservative materials, weighing more than six ounces per square yard, when the weight of the untreated fabric is two-thirds or more of the weight of the treated fabric.....	17½ p.c.	22 p.c.	40 p.c.	17½ p.c.	22½ p.c.	40 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	40 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	40 p.c.			
57600-1	Window shades, mounted on rollers.....	20 p.c.	29 p.c.	40 p.c.	20 p.c.	30 p.c.	40 p.c.
	on and after January 1, 1969	20 p.c.	28 p.c.	40 p.c.			
	on and after January 1, 1970	20 p.c.	27 p.c.	40 p.c.			
	on and after January 1, 1971	20 p.c.	26 p.c.	40 p.c.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
57800-1	Regalia, badges and belts of all kinds, n.o.p.....	22½ p.c.	26 p.c.	45 p.c.	22½ p.c.	27½ p.c.	45 p.c.
	on and after January 1, 1969	22½ p.c.	24½ p.c.	45 p.c.			
	on and after January 1, 1970	22½ p.c.	23 p.c.	45 p.c.			
	on and after January 1, 1971	21 p.c.	21½ p.c.	45 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	45 p.c.			
	Buffing and polishing wheels or discs:						
57901-1	The component of chief value being cotton.....	24 p.c.	24 p.c.	35 p.c.	25 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	23 p.c.	23 p.c.	35 p.c.			plus 4 cts.
	on and after January 1, 1970	22 p.c.	22 p.c.	35 p.c.			per pound
	on and after January 1, 1971	21 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	35 p.c.			
58000-1	Hair, spring and other mattresses.....	19 p.c.	24 p.c.	30 p.c.	20 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	18 p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	17 p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1971	17 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	30 p.c.			
58800-1	Coal, n.o.p., including screenings and coal dust of all kinds.....	per ton	40 cts.	75 cts.	35 cts.	50 cts.	75 cts.
	on and after January 1, 1969, per ton	23 cts.	30 cts.	75 cts.			
	on and after January 1, 1970, per ton	14 cts.	20 cts.	75 cts.			
	on and after January 1, 1971, per ton	7 cts.	10 cts.	75 cts.			
	on and after January 1, 1972, per ton	Free	Free	75 cts.			
58805-1	Gas for heating, cooking or illuminating, imported by pipe line, per one thousand cubic feet.....	—	2.4 cts.	6 cts.	—	3 cts.	6 cts.
	on and after January 1, 1969	—	1.8 cts.	6 cts.			
	on and after January 1, 1970	—	1.2 cts.	6 cts.			
	on and after January 1, 1971	—	0.6 ct.	6 cts.			
	on and after January 1, 1972	—	Free	6 cts.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates			
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
59705-1	Pianofortes and organs, n.o.p.....	19½ p.c.	22 p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			
59707-1	Electric organs.....	19½ p.c.	21½ p.c.	30 p.c.	20 p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	19½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1970	19 p.c.	19½ p.c.	30 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	30 p.c.			
59720-1	Parts of pianofortes and parts of organs, n.o.p.....	Free	19 p.c.	25 p.c.	Free	20 p.c.	25 p.c.
	on and after January 1, 1969	Free	18 p.c.	25 p.c.			
	on and after January 1, 1970	Free	17 p.c.	25 p.c.			
	on and after January 1, 1971	Free	16 p.c.	25 p.c.			
	on and after January 1, 1972	Free	15 p.c.	25 p.c.			
59725-1	Musical instruments of all kinds, n.o.p.....	15 p.c.	17 p.c.	30 p.c.	15 p.c.	17½ p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	16½ p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	15½ p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	30 p.c.			
59730-1	Phonograph records.....	15 p.c.	20 p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
59735-1	Mechanical piano and organ players.....	15 p.c.	19 p.c.	30 p.c.	15 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	15 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1970	15 p.c.	17 p.c.	30 p.c.			
	on and after January 1, 1971	15 p.c.	16 p.c.	30 p.c.			
	on and after January 1, 1972	15 p.c.	15 p.c.	30 p.c.			
59745-1	Accordions.....	Free	Free	30 p.c.	2½ p.c.	2½ p.c.	30 p.c.
59805-1	Brass band instruments.....	Free	15 p.c.	25 p.c.	Free	17½ p.c.	25 p.c.
					Free	20 p.c.	25 p.c.
59815-1	Bagpipes and complete parts thereof.....	Free	15 p.c.	25 p.c.	Free	25 p.c.	25 p.c.
59820-1	Parts for use in the manufacture of brass band instruments.....	Free	7½ p.c.	25 p.c.	Free	17½ p.c.	25 p.c.

60300-1	Fur skins wholly or partially dressed, n.o.p.	10 p.c.	12 p.c.	15 p.c.	10 p.c.	12½ p.c.	15 p.c.
	on and after January 1, 1969	10 p.c.	11½ p.c.	15 p.c.			(Minimum
	on and after January 1, 1970	10 p.c.	11 p.c.	15 p.c.			72 cts. dozen on
	on and after January 1, 1971	10 p.c.	10½ p.c.	15 p.c.			hare or rabbit
	on and after January 1, 1972	10 p.c.	10 p.c.	15 p.c.			skins)
60407-1	Patent leather	7½ p.c.	16 p.c.	27½ p.c.	7½ p.c.	17½ p.c.	27½ p.c.
	on and after January 1, 1969	7½ p.c.	14½ p.c.	27½ p.c.			
	on and after January 1, 1970	7½ p.c.	13 p.c.	27½ p.c.			
	on and after January 1, 1971	7½ p.c.	11½ p.c.	27½ p.c.			
	on and after January 1, 1972	7½ p.c.	10 p.c.	27½ p.c.			
60410-1	Sheepskin or lambskin leather, further finished than tanned, n.o.p.	7½ p.c.	21½ p.c.	27½ p.c.	7½ p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	7½ p.c.	20½ p.c.	27½ p.c.			
	on and after January 1, 1970	7½ p.c.	19½ p.c.	27½ p.c.			
	on and after January 1, 1971	7½ p.c.	18½ p.c.	27½ p.c.			
	on and after January 1, 1972	7½ p.c.	17½ p.c.	27½ p.c.			
60425-1	Sole leather	12½ p.c.	21½ p.c.	27½ p.c.	12½ p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	12½ p.c.	20½ p.c.	27½ p.c.			
	on and after January 1, 1970	12½ p.c.	19½ p.c.	27½ p.c.			
	on and after January 1, 1971	12½ p.c.	18½ p.c.	27½ p.c.			
	on and after January 1, 1972	12½ p.c.	17½ p.c.	27½ p.c.			
60505-1	Leather produced from East India tanned kip, uncoloured or coloured other than black, when imported for use exclusively in lining boots and shoes.	Free	14 p.c.	15 p.c.	Free	15 p.c.	15 p.c.
	on and after January 1, 1969	Free	13 p.c.	15 p.c.			
	on and after January 1, 1970	Free	12 p.c.	15 p.c.			
	on and after January 1, 1971	Free	11 p.c.	15 p.c.			
	on and after January 1, 1972	Free	10 p.c.	15 p.c.			
60515-1	Genuine pig leathers, n.o.p., and genuine Morocco leathers; so-called roller leathers	Free	19½ p.c.	27½ p.c.	Free	20 p.c.	27½ p.c.
	on and after January 1, 1969	Free	19 p.c.	27½ p.c.			
	on and after January 1, 1970	Free	18½ p.c.	27½ p.c.			
	on and after January 1, 1971	Free	18 p.c.	27½ p.c.			
	on and after January 1, 1972	Free	17½ p.c.	27½ p.c.			
60600-1	Leather produced from East India tanned kip, n.o.p.	20 p.c.	20 p.c.	27½ p.c.	20 p.c. and 2 cts. sq. ft.	25 p.c. and 2 cts. sq. ft.	25 p.c. and 4 cts. sq. ft.



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
60705-1	Leather, consisting of beef-cattle hides, horse-hides or sheepskins, but not including suedes, Cabrettas, Spanish capes or African capes, when imported by manufacturers of gloves or leather clothing, for use exclusively in manufacturing gloves or leather clothing in their own factories.....					
	Free	14 p.c.	20 p.c.	Free	15 p.c.	20 p.c.
	on and after January 1, 1969	Free	13 p.c.	20 p.c.		
	on and after January 1, 1970	Free	12 p.c.	20 p.c.		
	on and after January 1, 1971	Free	11 p.c.	20 p.c.		
	on and after January 1, 1972	Free	10 p.c.	20 p.c.		
60710-1	Leather, not further finished than tanned, in whole hides, in grains, or splits, when imported by manufacturers of upholstering leathers, for use exclusively in the manufacture of upholstering leathers, in their own factories.....					
	Free	14 p.c.	15 p.c.	Free	15 p.c.	15 p.c.
	on and after January 1, 1969	Free	13 p.c.	15 p.c.		
	on and after January 1, 1970	Free	12 p.c.	15 p.c.		
	on and after January 1, 1971	Free	11 p.c.	15 p.c.		
	on and after January 1, 1972	Free	10 p.c.	15 p.c.		
60800-1	Leather not further finished than tanned, and skins, n.o.p.....					
	5 p.c.	14½ p.c.	20 p.c.	5 p.c.	15 p.c.	20 p.c.
	on and after January 1, 1969	5 p.c.	14 p.c.	20 p.c.		
	on and after January 1, 1970	5 p.c.	13½ p.c.	20 p.c.		
	on and after January 1, 1971	5 p.c.	13 p.c.	20 p.c.		
	on and after January 1, 1972	5 p.c.	12½ p.c.	20 p.c.		
61100-1	Boots and shoes, pegged or wire fastened, with unstitched soles close edged.....					
	15 p.c.	24½ p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	24 p.c.	35 p.c.		
	on and after January 1, 1970	15 p.c.	23½ p.c.	35 p.c.		
	on and after January 1, 1971	15 p.c.	23 p.c.	35 p.c.		
	on and after January 1, 1972	15 p.c.	22½ p.c.	35 p.c.		

61105-1	Boots, shoes, slippers and insoles of any material, n.o.p.....	20 p.c.	27 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.
	on and after January 1, 1969	20 p.c.	26½ p.c.	40 p.c.			
	on and after January 1, 1970	20 p.c.	26 p.c.	40 p.c.			
	on and after January 1, 1971	20 p.c.	25½ p.c.	40 p.c.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
61110-1	Canvas shoes with rubber soles.....	20 p.c.	27 p.c.	40 p.c.	20 p.c.	27½ p.c.	40 p.c.
	on and after January 1, 1969	20 p.c.	26½ p.c.	40 p.c.			
	on and after January 1, 1970	20 p.c.	26 p.c.	40 p.c.			
	on and after January 1, 1971	20 p.c.	25½ p.c.	40 p.c.			
	on and after January 1, 1972	20 p.c.	25 p.c.	40 p.c.			
61120-1	Leather garments, lined or unlined.....	17½ p.c.	26½ p.c.	35 p.c.	17½ p.c.	27½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	25½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	24½ p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	22½ p.c.	35 p.c.			
61205-1	English type saddles.....	10 p.c.	24 p.c.	30 p.c.	10 p.c.	25 p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	30 p.c.			
61300-1	Manufactures of leather, including manufactures of rawhide, n.o.p.....	17 p.c.	21½ p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1970	17 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	18½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	35 p.c.			
61400-1	Leather-board, leatheroid, and manufactures thereof, n.o.p.....	15 p.c.	22 p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	25 p.c.			
61500-1	Whips of all kinds, including thongs and lashes.....	17½ p.c.	22 p.c.	30 p.c.	17½ p.c.	22½ p.c.	30 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	30 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	30 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	30 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	30 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
61605-1	Rubber, crude, caoutchouc or India-rubber, unmanufactured, n.o.p.....	Free	4½ p.c.	5 p.c.	Free	5 p.c.	5 p.c.
	on and after January 1, 1969	Free	4 p.c.	5 p.c.			
	on and after January 1, 1970	Free	3½ p.c.	5 p.c.			
	on and after January 1, 1971	Free	3 p.c.	5 p.c.			
	on and after January 1, 1972	Free	2½ p.c.	5 p.c.			
61630-1	Balata, crude, unmanufactured.....	Free	8½ p.c.	10 p.c.	Free	10 p.c.	10 p.c.
	on and after January 1, 1969	Free	7 p.c.	10 p.c.			
	on and after January 1, 1970	Free	5½ p.c.	10 p.c.			
	on and after January 1, 1971	Free	4 p.c.	10 p.c.			
	on and after January 1, 1972	Free	2½ p.c.	10 p.c.			
61635-1	Gutta percha, unmanufactured.....	Free	8½ p.c.	10 p.c.	Free	10 p.c.	10 p.c.
	on and after January 1, 1969	Free	7 p.c.	10 p.c.			
	on and after January 1, 1970	Free	5½ p.c.	10 p.c.			
	on and after January 1, 1971	Free	4 p.c.	10 p.c.			
	on and after January 1, 1972	Free	2½ p.c.	10 p.c.			
61700-1	Rubber boots and shoes.....	Free	22 p.c.	25 p.c.	Free	22½ p.c.	25 p.c.
	on and after January 1, 1969	Free	21½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	21 p.c.	25 p.c.			
	on and after January 1, 1971	Free	20½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	20 p.c.	25 p.c.			
61800-1	Rubber cement and all manufactures of rubber and gutta percha, n.o.p.....	15 p.c.	19½ p.c.	27½ p.c.	15 p.c.	20 p.c.	27½ p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	27½ p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	27½ p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	27½ p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	27½ p.c.			
61815-1	Tires and tubes, wholly or in part of rubber.....	19½ p.c.	21½ p.c.	35 p.c.	20 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	19½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1970	19 p.c.	19½ p.c.	35 p.c.			
	on and after January 1, 1971	18 p.c.	18 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	17½ p.c.	35 p.c.			

61905-1	Rubber clothing and clothing made from water-proofed cotton fabrics.....	22 p.c.	26½ p.c.	35 p.c.	22½ p.c.	27½ p.c.	35 p.c. plus 50 cts. each on raincoats
	on and after January 1, 1969	21½ p.c.	25½ p.c.	35 p.c.			
	on and after January 1, 1970	21 p.c.	24½ p.c.	35 p.c.			
	on and after January 1, 1971	20½ p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1972	20 p.c.	22½ p.c.	35 p.c.			
62200-1	Trunks, valises, hat boxes, carpet bags, tool bags, and baskets of all kinds, n.o.p.....	12½ p.c.	22 p.c.	40 p.c.	12½ p.c.	22½ p.c.	40 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	40 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	40 p.c.			
62300-1	Musical instrument cases and fancy cases or boxes of all kinds, portfolios and fancy writing desks, satchels, reticules, card cases, purses, pocket-books, fly books; parts of the foregoing.....	12½ p.c.	22 p.c.	40 p.c.	12½ p.c.	22½ p.c.	40 p.c.
	on and after January 1, 1969	12½ p.c.	21½ p.c.	40 p.c.			
	on and after January 1, 1970	12½ p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1971	12½ p.c.	20½ p.c.	40 p.c.			
	on and after January 1, 1972	12½ p.c.	20 p.c.	40 p.c.			
62405-1	Dolls.....	10 p.c.	24 p.c.	40 p.c.	10 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	40 p.c.			
	on and after January 1, 1970	10 p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	40 p.c.			
62410-1	Toys of all kinds, n.o.p.....	10 p.c.	24 p.c.	40 p.c.	10 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	10 p.c.	23 p.c.	40 p.c.	10 p.c.	30 p.c.	
	on and after January 1, 1970	10 p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1971	10 p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1972	10 p.c.	20 p.c.	40 p.c.			
62415-1	Mechanical toys of metal.....	5 p.c.	24 p.c.	40 p.c.	5 p.c.	25 p.c.	40 p.c.
	on and after January 1, 1969	5 p.c.	23 p.c.	40 p.c.			
	on and after January 1, 1970	5 p.c.	22 p.c.	40 p.c.			
	on and after January 1, 1971	5 p.c.	21 p.c.	40 p.c.			
	on and after January 1, 1972	5 p.c.	20 p.c.	40 p.c.			



Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates			
				British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	
Juvenile construction sets of metal or rubber, consisting of various stampings, punched or moulded, and connections therefor; parts of the foregoing:							
62420-1	Of metal . . . . .	Free	24 p.c.	40 p.c.	Free	25 p.c.	40 p.c.
	on and after January 1, 1969	Free	23 p.c.	40 p.c.			
	on and after January 1, 1970	Free	22 p.c.	40 p.c.			
	on and after January 1, 1971	Free	21 p.c.	40 p.c.			
	on and after January 1, 1972	Free	20 p.c.	40 p.c.			
62500-1	Caps, hats, muffs, tippets, capes, coats and cloaks of fur, and other manufactures of fur, n.o.p. . . . .	15 p.c.	24½ p.c.	35 p.c.	15 p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	24 p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	23½ p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	22½ p.c.	35 p.c.			
62800-1	Braces or suspenders, and finished parts thereof . . . .	15 p.c.	22 p.c.	35 p.c.	15 p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	15 p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	15 p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	15 p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
62900-1	Umbrellas, parasols and sunshades of all kinds and materials . . . . .	22½ p.c.	24 p.c.	35 p.c.	22½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	22½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	21½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	20½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	20 p.c.	20 p.c.	35 p.c.			
63300-1	Feathers, in their natural state . . . . .	7 p.c.	9 p.c.	15 p.c.	7½ p.c.	10 p.c.	15 p.c.
	on and after January 1, 1969	6½ p.c.	8 p.c.	15 p.c.			
	on and after January 1, 1970	6 p.c.	7 p.c.	15 p.c.			
	on and after January 1, 1971	5½ p.c.	6 p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	15 p.c.			

63400-1	Feathers and manufactures of feathers, n.o.p.; artificial feathers, fruits, grains, leaves and flowers suitable for ornamenting hats. . . . .	19½ p.c.	22 p.c.	27½ p.c.	20 p.c.	22½ p.c.	27½ p.c.
	on and after January 1, 1969	19 p.c.	21½ p.c.	27½ p.c.			
	on and after January 1, 1970	18½ p.c.	21 p.c.	27½ p.c.			
	on and after January 1, 1971	18 p.c.	20½ p.c.	27½ p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	27½ p.c.			
64700-1	Jewellery of any material, for the adornment of the person, n.o.p. . . . .	20 p.c.	29 p.c.	45 p.c.	20 p.c.	30 p.c.	45 p.c.
	on and after January 1, 1969	20 p.c.	28 p.c.	45 p.c.			
	on and after January 1, 1970	20 p.c.	27 p.c.	45 p.c.			
	on and after January 1, 1971	20 p.c.	26 p.c.	45 p.c.			
	on and after January 1, 1972	20 p.c.	25 p.c.	45 p.c.			
64800-1	Precious or semi-precious stones and imitations thereof, not mounted or set; pearls, pierced, split, strung or not, but not mounted or set. . . . .	6 p.c.	6 p.c.	10 p.c.	7½ p.c.	7½ p.c.	10 p.c.
	on and after January 1, 1969	4½ p.c.	4½ p.c.	10 p.c.	7½ p.c.	10 p.c.	10 p.c.
	on and after January 1, 1970	3 p.c.	3 p.c.	10 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1971	1½ p.c.	1½ p.c.	10 p.c.			
	on and after January 1, 1972	Free	Free	10 p.c.			
64803-1	Imitation pearls, pierced, split, strung or not, but not mounted or set. . . . .	7½ p.c.	10 p.c.	10 p.c.	7½ p.c.	10 p.c.	10 p.c.
65100-1	Buttons of all kinds, covered or not, and button blanks other than in the rough, n.o.p.; recognition buttons and cuff or collar buttons. . . . .	19 p.c.	24 p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.
	and, per gross	5 cts.	5 cts.	5 cts.	5 cts.	5 cts.	5 cts.
	on and after January 1, 1969	18 p.c.	23 p.c.	35 p.c.			
	and, per gross	5 cts.	5 cts.	5 cts.			
	on and after January 1, 1970	17 p.c.	22 p.c.	35 p.c.			
	and, per gross	5 cts.	5 cts.	5 cts.			
	on and after January 1, 1971	16 p.c.	21 p.c.	35 p.c.			
	and, per gross	5 cts.	5 cts.	5 cts.			
	on and after January 1, 1972	15 p.c.	20 p.c.	35 p.c.			
	and, per gross	5 cts.	5 cts.	5 cts.			



Tariff Item	Present Rates							
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff		
65105-1 Buttons, and button blanks other than in the rough, of vegetable ivory.....	19 p.c.	24 p.c.	35 p.c.	20 p.c.	25 p.c.	35 p.c.		
	and, per gross 5 cts.	9 cts.	10 cts.					
	on and after January 1, 1969 18 p.c.	23 p.c.	35 p.c.					
	and, per gross 5 cts.	8 cts.	10 cts.					
	on and after January 1, 1970 17 p.c.	22 p.c.	35 p.c.					
	and, per gross 5 cts.	7 cts.	10 cts.					
on and after January 1, 1971 16 p.c.	21 p.c.	35 p.c.	10 p.c.	10 p.c.	10 p.c.			
	and, per gross 5 cts.	6 cts.				10 cts.		
	on and after January 1, 1972 15 p.c.	20 p.c.				35 p.c.		
	and, per gross 5 cts.	5 cts.				10 cts.		
65200-1 Toilet or dressing combs, n.o.p.; fancy combs, not being jewellery.....	10 p.c.	20 p.c.	27½ p.c.	10 p.c.	20 p.c.	27½ p.c.		
	but not less than, per gross on and after January 1, 1969 10 p.c.	\$1.08	\$2.00				\$1.44	\$2.00
	but not less than, per gross on and after January 1, 1970 10 p.c.	72 cts.	\$2.00					
		20 p.c.	27½ p.c.					
		20 p.c.	30 p.c.					
65300-1 Brushes of all kinds, n.o.p.....	15 p.c.	24 p.c.	40 p.c.	15 p.c.	25 p.c.	40 p.c.		
	on and after January 1, 1969 15 p.c.	23 p.c.	40 p.c.					
	on and after January 1, 1970 15 p.c.	22 p.c.	40 p.c.					
	on and after January 1, 1971 15 p.c.	21 p.c.	40 p.c.					
	on and after January 1, 1972 15 p.c.	20 p.c.	40 p.c.					
65500-1 Pens, n.o.p., penholders and rulers, of all kinds.....	12½ p.c.	22 p.c.	27½ p.c.	12½ p.c.	22½ p.c.	27½ p.c.		
	on and after January 1, 1969 12½ p.c.	21½ p.c.	27½ p.c.					
	on and after January 1, 1970 12½ p.c.	21 p.c.	27½ p.c.					
	on and after January 1, 1971 12½ p.c.	20½ p.c.	27½ p.c.					
	on and after January 1, 1972 12½ p.c.	20 p.c.	27½ p.c.					
65505-1 Lead pencils and crayons, n.o.p.....	10 p.c.	26 p.c.	35 p.c.	10 p.c.	27½ p.c.	35 p.c.		
	on and after January 1, 1969 10 p.c.	24½ p.c.	35 p.c.					
	on and after January 1, 1970 10 p.c.	23 p.c.	35 p.c.					
	on and after January 1, 1971 10 p.c.	21½ p.c.	35 p.c.					
	on and after January 1, 1972 10 p.c.	20 p.c.	35 p.c.					

65610-1	Cigar and cigarette holders.....	17½ p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
65615-1	Cases for cigar and cigarette holders, cigar and cigarette cases, smokers' sets and cases therefor, and tobacco pipe mounts.....	17½ p.c.	22 p.c.	35 p.c.	17½ p.c.	22½ p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	21½ p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	20½ p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
65620-1	Tobacco pouches.....	17½ p.c.	24 p.c.	35 p.c.	17½ p.c.	25 p.c.	35 p.c.
	on and after January 1, 1969	17½ p.c.	23 p.c.	35 p.c.			
	on and after January 1, 1970	17½ p.c.	22 p.c.	35 p.c.			
	on and after January 1, 1971	17½ p.c.	21 p.c.	35 p.c.			
	on and after January 1, 1972	17½ p.c.	20 p.c.	35 p.c.			
66325-1	Sea-weeds or sea-plants, charred, whether powdered or not, for use exclusively in the feeding of animals.	Free	Free	25 p.c.	Free	15 p.c.	25 p.c.
66330-1	Iodized mineral salts, for use in the feeding of animals	Free	5 p.c.	25 p.c.	Free	10 p.c.	25 p.c.
66335-1	Fish meal.....	Free	18 p.c.	25 p.c.	Free	20 p.c.	25 p.c.
	on and after January 1, 1969	Free	16 p.c.	25 p.c.			
	on and after January 1, 1970	Free	14 p.c.	25 p.c.			
	on and after January 1, 1971	Free	12 p.c.	25 p.c.			
	on and after January 1, 1972	Free	10 p.c.	25 p.c.			
66340-1	Oyster shells, not further manufactured than crushed or screened, or both, for use as poultry feeds or in the manufacture of poultry feeds.....	5 p.c.	5 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
66500-1	Torpedoes, fire-crackers and fire-works of all kinds..	Free	22 p.c.	25 p.c.	Free	22½ p.c.	25 p.c.
	on and after January 1, 1969	Free	21½ p.c.	25 p.c.			
	on and after January 1, 1970	Free	21 p.c.	25 p.c.			
	on and after January 1, 1971	Free	20½ p.c.	25 p.c.			
	on and after January 1, 1972	Free	20 p.c.	25 p.c.			
66505-1	Fuse, not metallic.....	Free	24 p.c.	30 p.c.	Free	25 p.c.	30 p.c.
	on and after January 1, 1969	Free	23 p.c.	30 p.c.			
	on and after January 1, 1970	Free	22 p.c.	30 p.c.			
	on and after January 1, 1971	Free	21 p.c.	30 p.c.			
	on and after January 1, 1972	Free	20 p.c.	30 p.c.			



Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
67000-1	Grinding wheels, stones or blocks, manufactured by the bonding together of either natural or artificial abrasives; manufactures of emery or of artificial abrasives, n.o.p.....	10 p.c.	19½ p.c.	30 p.c.	10 p.c.	20 p.c.	30 p.c.
	on and after January 1, 1969	10 p.c.	19 p.c.	30 p.c.			
	on and after January 1, 1970	10 p.c.	18½ p.c.	30 p.c.			
	on and after January 1, 1971	10 p.c.	18 p.c.	30 p.c.			
	on and after January 1, 1972	10 p.c.	17½ p.c.	30 p.c.			
68300-1	Barytes.....	Free	18 p.c.	25 p.c.	Free	20 p.c.	25 p.c.
	on and after January 1, 1969	Free	16 p.c.	25 p.c.			
	on and after January 1, 1970	Free	14 p.c.	25 p.c.			
	on and after January 1, 1971	Free	12 p.c.	25 p.c.			
	on and after January 1, 1972	Free	10 p.c.	25 p.c.			
68905-1	Mineral wool.....	Free	24 p.c.	25 p.c.	Free	25 p.c.	25 p.c.
	on and after January 1, 1969	Free	23 p.c.	25 p.c.			
	on and after January 1, 1970	Free	22 p.c.	25 p.c.			
	on and after January 1, 1971	Free	21 p.c.	25 p.c.			
	on and after January 1, 1972	Free	20 p.c.	25 p.c.			
71100-1	All goods not enumerated in this schedule as subject to any other rate of duty, and not otherwise declared free of duty, and not being goods the importation whereof is by law prohibited.....	15 p.c.	19½ p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1969	15 p.c.	19 p.c.	25 p.c.			
	on and after January 1, 1970	15 p.c.	18½ p.c.	25 p.c.			
	on and after January 1, 1971	15 p.c.	18 p.c.	25 p.c.			
	on and after January 1, 1972	15 p.c.	17½ p.c.	25 p.c.			
	Duty shall not be deemed to be provided for by this item upon dutiable goods mentioned as "n.o.p." in any other tariff item						
	When the component material of chief value in any non-enumerated article consists of dutiable material enumerated in this schedule as bearing a higher rate						

of duty than is specified in this tariff item, such non-enumerated article shall be subject to the highest duty that would be chargeable thereon if it were composed wholly of the component material thereof of chief value, such "component material of chief value" being that component material which exceeds in value any other single component material in its condition as found in the article.

71105-1	Beverages consisting of aqueous extracts of dried prunes.....	9 p.c.	9 p.c.	25 p.c.	10 p.c.	10 p.c.	25 p.c.
	on and after January 1, 1969	8 p.c.	8 p.c.	25 p.c.			
	on and after January 1, 1970	7 p.c.	7 p.c.	25 p.c.			
	on and after January 1, 1971	6 p.c.	6 p.c.	25 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	25 p.c.			
71110-1	Prepared foods, whether canned or not, for cats and dogs.....	13½ p.c.	13½ p.c.	25 p.c.	15 p.c.	15 p.c.	25 p.c.
	on and after January 1, 1969	12 p.c.	12 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	on and after January 1, 1970	10½ p.c.	10½ p.c.	25 p.c.			
	on and after January 1, 1971	9 p.c.	9 p.c.	25 p.c.			
	on and after January 1, 1972	7½ p.c.	7½ p.c.	25 p.c.			
71115-1	Expanded perlite, ground, for use in filtering.....	10 p.c.	10 p.c.	25 p.c.	15 p.c.	20 p.c.	25 p.c.
	Common salt (including rock salt, sea salt and table salt); pure sodium chloride; salt liquors; sea water:						
92501-1	Other than the following... per one hundred pounds	Free	2 cts.	5 cts.	Free	3½ cts.	7½ cts.
	on and after January 1, 1969,	Free	1½ cts.	5 cts.	Free	3 cts.	5 cts.
	per one hundred pounds						
	on and after January 1, 1970,	Free	1 ct.	5 cts.			
	per one hundred pounds						
	on and after January 1, 1971,	Free	½ ct.	5 cts.			
	per one hundred pounds						
	on and after January 1, 1972,	Free	Free	5 cts.			
	per one hundred pounds						
92501-2	Salt for the use of the sea or gulf fisheries.....	Free	Free	Free	Free	Free	Free
92501-3	Table salt made by an admixture of other ingredients, when containing not less than ninety per cent of pure salt.....	5 p.c.	9 p.c.	15 p.c.	5 p.c.	10 p.c.	15 p.c.
	on and after January 1, 1969	5 p.c.	8 p.c.	15 p.c.			
	on and after January 1, 1970	5 p.c.	7 p.c.	15 p.c.			
	on and after January 1, 1971	5 p.c.	6 p.c.	15 p.c.			
	on and after January 1, 1972	5 p.c.	5 p.c.	15 p.c.			
92501-4	Salt liquors and sea water.....	Free	Free	Free	Free	3 cts. cwt.	5 cts. cwt.



9. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 4700-1, 4705-1, 10905-1, 11305-1, 11400-1, 26610-1, 34200-1, 39905-1, 40920-1, 41002-1, 41004-1, 41006-1, 41008-1, 41010-1, 41012-1, 41014-1, 41016-1, 41018-1, 41020-1, 41022-1, 41024-1, 41026-1, 41028-1, 41030-1, 41030-2, 41032-1, 41033-1, 41035-1, 41037-1, 41039-1, 41041-1, 41043-1, 41045-1, 41047-1, 41049-1, 41051-1, 41052-1, 41054-1, 41056-1, 41058-1, 41060-1, 41062-1, 44205-1, 44534-1, 44536-1, 44538-1, 44540-1, 44542-1, 44544-1, 44548-1, 44550-1, 44552-1, 44554-1, 49101-1, 59730-2, 59740-1, 84800-1, 84805-1 and 84810-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
9012-1 Soya bean flour for use exclusively in the manufacture of glues or adhesives.....	Free	Free	Free	Free	Free	Free
10905-1 Peanuts, green, in the shell or not further processed than shelled.....	Free	Free	10 p.c.	Free	Free	1 ct./lb.
11305-1 Copra or broken cocoanut meat, not shredded, desiccated, or prepared in any manner.....	Free	Free	10 p.c.	Free	Free	3/4 cts./lb.
26610-1 Oiticica oil.....	Free	Free	15 p.c.	Free	Free	2½ cts./lb.
27620-1 Castor beans.....	Free	Free	10 p.c.	Free	Free	2 cts./lb.
27625-1 Soya beans.....	Free	Free	10 p.c.	Free	Free	2 cts./lb.
27630-1 Palm kernels.....	Free	Free	10 p.c.	Free	Free	4 cts./lb.
34200-1 Phosphor tin, <i>phosphor copper</i> and phosphor bronze in blocks, bars, plates, sheets, <i>strips</i> , rods and wire.	5 p.c.	7½ p.c.	10 p.c.	5 p.c.	7½ p.c.	10 p.c.

39905-1	Pipes or tubes of iron or steel, commonly known as "oil-country goods", being casing or tubing and fittings, couplings, thread protectors and nipples therefor; all of the foregoing for use in connection with natural gas or oil wells.....	5 p.c.	10 p.c.	20 p.c.	5 p.c.	10 p.c.	20 p.c.
40920-1	Combination bagging or boxing and weighing machines; Box dumpers, box or bag fillers, highpilers not including fork lift trucks; Grading, grating, washing or wiping machines; Machines for making or lidding boxes; All the foregoing for fresh fruit or fresh vegetables; <i>Machines and equipment, other than scales, for use in grading or packing lines exclusively for fresh fruit or fresh vegetables, from the dumper, feed table, bin or hopper to the box or bag closing machine, inclusive;</i> Carbon dioxide generators or reducers for use in controlling the atmosphere in greenhouses or in storage plants for fresh fruit or fresh vegetables; Machines for topping vegetables; Machines for bunching or tying cut flowers, vegetables or nursery stock; Egg-graders and egg-cleaners; Silage caps; Parts of all the foregoing.....	Free	Free	Free	Free Free Various	Free 7½ p.c. Various	Free 35 p.c. Various
	<i>Bits and augers of all kinds; Drills of all kinds, not including those drilling rigs entitled to entry under tariff item 49103-1; All the foregoing for use in the exploration or drilling for water, oil, natural gas or minerals, or in mining or quarrying:</i>						
41001-1	<i>Of a class or kind made in Canada; parts thereof.....</i>	5 p.c.	15 p.c.	25 p.c.	5 p.c. 5 p.c.	10 p.c. 15 p.c.	20 p.c. 25 p.c.
41002-1	<i>Of a class or kind not made in Canada; parts thereof.....</i>	Free	Free	Free	Free Various	Free Various	Free Various
41004-1	<i>Tungsten carbide inserts for attachment to rock or coal drilling bits.....</i>	5 p.c.	7½ p.c.	25 p.c.	5 p.c. Various	7½ p.c. Various	25 p.c. Various



Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	Present Rates		
					British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
41006-1	Diesel-powered self-propelled <i>dump</i> trucks, mounted on rubber-tired wheels or on rubber-tired wheels and half-tracks, having a rated capacity by struck volume of not less than 9½ cubic yards, and by payload weight of not less than 15 tons, and parts thereof, for off-highway use in carrying minerals or other excavated materials at mines, quarries, gravel and sand pits or at construction sites.....	5 p.c.	10 p.c.	25 p.c.	Free Free	7½ p.c. 17½ p.c.	27½ p.c. 27½ p.c.
	<i>Machinery and apparatus for use in mining, quarrying, the development of mineral deposits, or the processing of ores, metals or minerals, namely:</i>						
41011-1	<i>Crushing machines and grinding mills; Mine shaft hoists; Parts of all the foregoing.....</i>	5 p.c.	15 p.c.	25 p.c.	5 p.c. Various	15 p.c. Various	25 p.c. Various
41012-1	Mine roof and wall supports and support systems, of metal, including yielding props, chocks, <i>roof-bars</i> , and chock release apparatus, but not including roof bolts or washers or nuts therefor; <i>Mining machines for extracting and loading minerals directly from the working face of a mine;</i> Trucks, tractors, or <i>shuttle cars</i> , self-propelled, for use exclusively underground; Tubes or shells to be inserted in the face for breaking down coal or other minerals by the release of carbon dioxide or compressed air; <i>pipes, tubes and fittings for use therewith;</i> <i>Parts of all the foregoing;</i> <i>Conveyors, of a class or kind not made in Canada;</i> <i>Parts, of a class or kind not made in Canada, for conveyors.....</i>	Free	Free	Free	Free Free Various	Free 12½ p.c. Various	Free 35 p.c. Various

Air engines;  
 Coal cutting machines;  
 Dust collectors;  
 Elevating platforms, including raise climbers, for use underground;  
 Flame-proof enclosed driving motors;  
 Loading machines, including draglines and power shovels;  
 Machinery and apparatus, including the hulls of dredges, floating or shore discharge pipeline or booster station equipment, to be incorporated into dredging plants;  
 Pumps, vacuum pumps, fans, blowers or compressors;  
 Scales for use with conveyors;

41013-1	Of a class or kind made in Canada; parts thereof.....	5 p.c.	15 p.c.	25 p.c.			
41014-1	Of a class or kind not made in Canada; parts thereof.....	Free	Free	Free	{ Free 5 p.c. 5 p.c. Various	Free 15 p.c. 7½ p.c. Various	Free 25 p.c. 20 p.c. Various
	<i>Machinery and apparatus for use in the processing, smelting or refining of ores, metals or minerals, namely:</i>						
41081-1	Machinery and apparatus for sintering or pelleting iron ore, concentrated or not, or flue dust;						
	Machinery and apparatus for use in the construction, equipment and repair of blast furnaces for smelting iron ore, such machinery and apparatus to include blast furnace fans, blowers or compressors, hot blast stoves and burners, blast piping and valves connecting the fans, blowers or compressors with the furnace, scale cars, charging and hoisting apparatus, blast furnace gas piping, cleaners and washers;						
	Machinery and apparatus, of a class or kind not made in Canada, for use exclusively in handling materials to be charged into a blast furnace or an electric smelting furnace, from the dock, car or stock pile, at the smelting works;						



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
41021-1 (Contd)						
Machinery for the extraction of precious metals by the chlorination or cyanide processes, not including pumps, vacuum pumps, fans, blowers or compressors;						
Mercury pumps;						
Non-metallic heating elements;						
Parts of all the foregoing.....	Free	Free	Free	Free Free Various	5 p.c. Free Various	5 p.c. Free Various
Agitators;						
Amalgam cleaners;						
Automatic ore samplers;						
Fans, blowers or compressors, of iron or steel;						
Classifiers;						
Converting apparatus for metallurgical processes;						
Feeders, mechanical;						
Filters;						
Flotation machines, flotation cells, and oil feeders and reagent feeders therefor;						
Furnace slag trucks and slag pots;						
Pyrometers;						
Retorts;						
Screens, including oscillating, revolving, shaking, stationary, travelling and vibrating screens, and grizzlies;						
Separators, including jigs and magnetic or electric separators and magnetic pulleys;						
Slime or concentrating tables;						
Thickeners;						
Chemical conversion, extraction, reduction or recovery apparatus for use in metallurgical operations;						

	Machinery and apparatus for use in the refining of metals or in roasting or smelting or the production of anodes, cathodes, blocks, slabs, pigs or ingots in such processes;						
	Machinery and apparatus for use in washing, screening, drying or dry cleaning coal:						
41022-1	Of a class or kind made in Canada; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	{ Free Free 12½ p.c. 5 p.c.	10 p.c. Free 17½ p.c. 7½ p.c.	12½ p.c. Free 20 p.c. 20 p.c.
41023-1	Of a class or kind not made in Canada; parts thereof.....	Free	Free	Free	{ Various	Various	Various
	Machinery and apparatus for use in producing coal gas and coke; machinery and apparatus for use in the distillation or recovery of products from coal tar or coal gas:						
41026-1	Of a class or kind made in Canada; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	{ Free Various	10 p.c. Various	12½ p.c. Various
41027-1	Of a class or kind not made in Canada; parts thereof.....	Free	Free	Free	{ Various	Various	Various
	Machinery and apparatus for the recovery of solid or liquid particles from flue or other waste gases at metallurgical or industrial plants:						
41031-1	Of a class or kind made in Canada; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	{ 5 p.c. Various	10 p.c. Various	12½ p.c. Various
41032-1	Of a class or kind not made in Canada; parts thereof.....	Free	Free	Free	{ Various	Various	Various
41035-1	Equipment for distributing stone dust in mines;						
	Rescue appliances, designed for use in mines, where artificial breathing is necessary in the presence of noxious gases, including oxygen pumps for use exclusively in connection with such appliances;						
	Automatic resuscitation apparatus for artificial breathing to aid in the saving of human life;						
	Apparatus for determining the presence or quantity of carbon monoxide in the blood;						
	Inhalators for treating victims of noxious gas;						



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
41035-1 (Cont'd)						
<i>Portable respirators, including hose mask outfits complete with face piece, harness, air line and air pump or blower, designed for use in noxious atmosphere;</i>						
<i>Indicating or continuous recording equipment or automatic alarm equipment for detecting or indicating noxious gases or noxious vapours in the atmosphere;</i>						
Parts of all the foregoing.....	Free	Free	Free	Free Free	Free Free	10 p.c. Free
41040-1 Safety goggles designed for eye protection of workers employed in hazardous work; parts thereof.....	Free	Free	Free	Free	Free	Free
41045-1 Miners' safety lamps; miners' acetylene lamps; accessories for cleaning, filling, charging, opening and testing miners' lamps;						
Battery renewal preparations for miners' electric safety lamps;						
All for use exclusively at mines;						
<i>Parts of the foregoing.....</i>	Free	Free	Free	Free	Free	Free
44205-1 Materials, including all parts, wholly or in chief part of metal, of a class or kind not made in Canada, when imported for use in the manufacture of goods entitled to entry under tariff items 41100-1, 41105-1, 41110-1, 42723-1, 42726-1, 42729-1, 42732-1, 42733-1, 42741-1, 42805-1, 42815-1, 42817-1, 44037-1, 44040-1, and 44705-1, under such regulations as the Minister may prescribe.....	Free	Free	10 p.c.	Free	Free	10 p.c.
44536-1 Record changers; <i>turntables; tone arms; pick-up cartridges; phonograph needles; microphones, including microphone stands.....</i>	7½ p.c.	7½ p.c.	25 p.c.	(7½ p.c. 15 p.c. Various	7½ p.c. 20 p.c. Various	30 p.c. 30 p.c. Various

44537-1	Parts and materials for use in the manufacture or repair of the goods enumerated in tariff item 44536-1.....	Free	Free	25 p.c.	{ Free Free Various	Free 5 p.c. Various	30 p.c. 30 p.c. Various
44538-1	Recorders, reproducers and dictation recording and transcribing equipment using magnetizable tape as a recording medium; parts thereof, n.o.p.....	10 p.c.	12½ p.c.	25 p.c.	{ 15 p.c. 10 p.c.	22½ p.c. 12½ p.c.	30 p.c. 25 p.c.
44539-1	Tape transport mechanisms; parts thereof.....	Free	Free	25 p.c.			
44540-1	Loudspeakers; audio-frequency electric amplifiers; parts thereof, n.o.p.....	Free	15 p.c.	25 p.c.	Free 15 p.c.	20 p.c. 22½ p.c.	30 p.c. 30 p.c.
44541-1	Cone housings, field cases, pole pieces, gaskets and brackets, all for speakers with mounting diameters in excess of 8 inches; Cones and cone surrounds; Diaphragm and voice coil paper; Dust covers; Magnets, magnet structures and magnet blanks; Spiders; Tinsel wire for voice coil leads; Voice coil wire; Materials for use in the manufacture of the foregoing; All the foregoing for use in the manufacture of loudspeakers.....	Free	Free	25 p.c.	15 p.c. Free Free	22½ p.c. 20 p.c. Free	30 p.c. 30 p.c. 30 p.c.
44542-1	Electron tubes, except X-ray tubes; Bases, beaded assemblies, cages, guns, mounts, stems and wire-wound grids, all for use in the manufacture of electron tubes, except X-ray tubes.....	Free	15 p.c.	25 p.c.	Free Free Free	Free 7½ p.c. 20 p.c.	27½ p.c. 30 p.c. 30 p.c.
44543-1	Parts and materials for use in the manufacture of electron tubes, except X-ray tubes, or of parts thereof.....	Free	Free	25 p.c.	Free	Free	30 p.c.
44544-1	Transistors and other semiconductor devices; parts thereof	Free	15 p.c.	25 p.c.	Free Free Free	Free 7½ p.c. 20 p.c.	27½ p.c. 30 p.c. 30 p.c.



Tariff Item	Present Rates					
	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
44545-1 <i>Materials for use in the manufacture of the goods enumerated in tariff item 44544-1.....</i>	Free	Free	25 p.c.	Free	Free	30 p.c.
44549-1 <i>Channel frames; Keeper laminations; Mounting brackets; All the foregoing for use in the manufacture of the goods enumerated in tariff item 44548-1.....</i>	Free	Free	25 p.c.	15 p.c. Free 15 p.c.	20 p.c. 20 p.c. 22½ p.c.	30 p.c. 30 p.c. 37½ p.c.
44550-1 <i>Acid- or alkali-free super- or machine-calendered kraft tissue, cellulose acetate, polyester and polystyrene films, not exceeding 0.01 inch in thickness, gummed or not; Ceramic dielectrics; Etched aluminum foil; Metal cans and lids, drawn or extruded; Metal powders; Motors and gears for automatic tuning; Powdered iron and ferrite cores and other shapes, with or without inserts moulded therein; Raw low loss mica; Sheets and punchings of low loss mica; Stamped metal pulleys not exceeding 5 inches in outside diameter and 0.5 inch in width; Tantalum foil; Textile fabrics coated with aluminum; Tube shields of metal or metallized non-metal; Materials for use in the manufacture of the foregoing; All the foregoing for use in the manufacture of the goods enumerated in tariff items 44533-1, 44534-1, 44535-1, 44538-1, 44539-1, 44540-1, 44541-1, 44548-1, and 44549-1.....</i>	Free	Free	25 p.c.	Free Various	Free Various	30 p.c. Various

Machinery and apparatus for use in exploratory or discovery work in connection with oil or natural gas wells or for the development, maintenance, testing, depletion or production of such wells up to and including the wellhead assembly or surface oil pumping unit; well-drilling machinery and apparatus for use in the exploration, discovery, development or operation of potash or rock salt deposits; these provisions shall not include automotive vehicles or chassis on which the machinery and apparatus are mounted;

49101-1 Belting and hose, wholly or partly of rubber, and fittings and accessories therefor whether attached or not;

Casing centralizers, wall scratchers and scrapers, stop rings and cement baskets;

Moulded or extruded rubber products, namely cementing plugs, protectors, wipers, swab rubbers, and rubber rollers for wireline guides and turnback units;

Screens for shale shakers;

Sucker rods, pony rods, polished rods, and couplings therefor;

Swaged nipples and bull plugs not exceeding 4 inches in outside diameter;

Wellhead valves, not under 2 inch or over 3 inch nominal size, rated for service in working pressures up to and including 2,000 pounds per square inch W.O.G. (water, oil, gas), excluding check valves, pressure regulators, automatic safety valves and needle valves;

Parts of all the foregoing..... 5 p.c. 10 p.c. 20 p.c. 5 p.c. 10 p.c. 20 p.c.



10. That Schedule B to the *Customs Tariff* be amended by striking out items 97056-1, 97058-1, 97059-1 and 97065-1 and the enumerations of goods and the rates of drawback of duty set opposite each of those items, and by inserting therein the following items, enumerations of goods and rates of drawback of duty:

Item No.	Goods	When Subject to Drawback	Portion of Duty (not including Special Duty or Dumping Duty) Payable as Drawback
97056-1	Materials, including all parts, wholly or in chief part of metal, of a class or kind not made in Canada.	When used in the manufacture of goods entitled to entry under tariff items 41100-1, 41105-1, 41110-1, 42723-1, 42726-1, 42729-1, 42732-1, 42733-1, 42741-1, 42805-1, 42815-1, 42817-1, 44037-1, 44040-1, and 44705-1.....	99 p.c.
97058-1	Materials.	When used in the manufacture of articles entitled to entry under tariff items 41100-1 and 41105-1, not including saws, when such articles are used as specified in said items.....	60 p.c.
97065-1	Bituminous coal.	When used in melting, evaporating, and preparing salt produced in Canada: No drawback under this item shall be payable on coal used in producing salt or brine when such salt or brine is further manufactured than salt enumerated in tariff items 92501-1, 92501-2, 92501-3 and 92501-4.....	99 p.c.

11. That any enactment founded upon Resolutions 5, 6, 7, 8, 9 and 10 of the foregoing Resolutions shall come into force on the 1st day of January, 1968, or on such later day as the Governor in Council may, before the 1st day of January, 1968, fix by proclamation, and shall apply to all goods mentioned in the said Resolutions imported or taken out of warehouse for consumption on or after the day of the enactment's coming into force, and shall apply to goods previously imported for which no entry for consumption was made before that day.

12. That any enactment founded upon Resolution 8 of the foregoing Resolutions that provides for a rate of duty set opposite a tariff item in Schedule A to the *Customs Tariff* to apply on or after a date specified in the enumeration of goods of that item may be amended by order of the Governor in Council prescribing another date, being a date not earlier than the first-mentioned date, as the date on or after which the said rate is to apply.













Second Session—Twenty-seventh Parliament

1967-68

# THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

## FINANCE

---

The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

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No. 6

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*Second Proceedings on the Canada Tariff Concessions,*  
made in the Kennedy Round Negotiations under GATT.

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THURSDAY, FEBRUARY 15th, 1968

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WITNESS:

*Department of Trade and Commerce:* The Honourable Robert Winters,  
Minister.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1968





Second Session—Twenty-seventh Parliament

1987-88

# THE SENATE OF CANADA

## PROCEEDINGS

### THE STANDING COMMITTEE ON FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*  
The Honourable H. de M. Molson, *Deputy Chairman*

#### The Honourable Senators:

- |                                   |   |
|-----------------------------------|---|
| Aird                              | Leonard                                   |
| Aseltine                          | MacKenzie                                 |
| Beaubien ( <i>Bedford</i> )       | McCutcheon                                |
| Beaubien ( <i>Provencher</i> )    | Méthot                                    |
| Bélisle                           | Molson                                    |
| Benidickson                       | O'Leary ( <i>Antigonish-Guysborough</i> ) |
| Burchill                          | Paterson                                  |
| Choquette                         | Pearson                                   |
| Connolly ( <i>Halifax North</i> ) | Phillips                                  |
| Croll                             | Pouliot                                   |
| Denis                             | Power                                     |
| Deschatelets                      | Quart                                     |
| Farris                            | Rattenbury                                |
| Gélinas                           | Roebuck                                   |
| Gershaw                           | Savoie                                    |
| Grosart                           | Smith ( <i>Queens-Shelburne</i> )         |
| Haig                              | Thorvaldson                               |
| Hayden                            | Vaillancourt                              |
| Hays                              | Vien                                      |
| Isnor                             | Welch                                     |
| Kinley                            | Yuzyk—(43)                                |

*Ex Officio members:* Connolly (*Ottawa West*) and Flynn.

WITNESS:

Department of Trade and Commerce, The Honourable Robert Winters, Minister.

QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1988

## ORDERS OF REFERENCE

1. Extract from the Minutes of Proceedings of the Senate, Wednesday, May 16th, 1967:

"With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative."

2. Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

"With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—

Resolved in the affirmative."

3. Extract from the Minutes of the Proceedings of the Senate, Tuesday, October 31st, 1967:

"With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (B) and to sit during sittings and adjournments of the Senate.



After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

4. Extract from the Minutes of the Proceedings of the Senate, Wednesday, December 6th, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under the General Agreement on Tariffs and Trade, tabled in the Senate on 31st October, 1967; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Canada Tariff Concessions and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

5. Extract from the Minutes of the Proceedings of the Senate, Wednesday, January 24th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the Public Accounts of Canada, Volumes I, II and III, for the fiscal year ended the 31st March, 1967, tabled in the Senate on 22nd January, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Public Accounts of Canada and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

J. F. MACNEILL,  
Clerk of the Senate.

6. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1969, in advance of the Bills based on the said Estimates reaching the Senate; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

7. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,  
The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Supplementary Estimates (C) for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

ROBERT FORTIER,  
Clerk of the Senate.

WITNESS:

Department of Trade and Commerce  
The Honourable Robert Wilton, Minister

The Chairman, on behalf of the Department, thanked Mr. Wilton for appearing before it.

At 11.25 a.m. the Committee adjourned on the call of the Chairman.

ATTEST:

Frank A. Jackson,  
Clerk of the Committee.





## MINUTES OF PROCEEDINGS

THURSDAY, February 15th, 1968.

(6)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 11.30 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Bélisle, Connolly (*Ottawa West*), Croll, Denis, Gershaw, Hays, Leonard, MacKenzie, McCutcheon, Méthot, O'Leary (*Antigonish-Guysborough*), Paterson, Pearson, Pouliot, Quart, Rattenbury, Roebuck, Smith (*Queens-Shelburne*), Thorvaldson and Vaillancourt—(21).

### *In attendance:*

E. Russell Hopkins, Law Clerk and Parliamentary Counsel.

R. J. Batt, Assistant Law Clerk and Parliamentary Counsel, and Chief Clerk of the Committees.

The Canada Tariff Concessions made in the Kennedy Round Negotiations under GATT were further examined.

### WITNESS:

#### *Department of Trade and Commerce:*

The Honourable Robert Winters, Minister.

The Chairman, on behalf of the Committee, thanked Mr. Winters for appearing before it.

At 11.25 a.m. the Committee adjourned to the call of the Chairman.

### ATTEST:

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE

### STANDING COMMITTEE ON FINANCE

#### EVIDENCE

Ottawa, Thursday, February 15, 1968

The Standing Committee on Finance, to which was referred the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under GATT, met this day at 11.30 a.m.

**Senator Jean-Paul Deschatelets (Chairman)** in the Chair.

**The Chairman:** Honourable senators, it is 11.30 a.m. and we have a quorum.

This morning we are very pleased indeed to welcome the Minister of Trade and Commerce, the Honourable Robert Winters. By the way, he is one of the few who have resisted the pressure so far!

Honourable senators will remember that on December 14 last we had a most interesting and informative meeting, dealing with the Kennedy Round Negotiations agreement, with the officials of the Department of Trade and Commerce and also of the Department of Finance Tariff Division. I hope honourable senators will have a good look at, and keep for further consultation, the report of the proceedings of that meeting, because we have added as an appendix the list of concessions and the list of products covered by these concessions.

Mr. Minister, I understand that honourable senators would like to hear from you about the policy of the Government resulting from these negotiations, and especially if any measures have already been taken, or are contemplated, in order to assist some sectors of Canadian industry which might have some trouble in meeting world competition resulting from the implementation of these concessions. After you are through with your remarks, Mr. Minister, I am going to ask senators if they have any questions to ask you.

**Honourable Robert H. Winters, M.P., Minister of Trade and Commerce:** Mr. Chairman and honourable senators, first of all I want

to thank you for the privilege of meeting with you this morning. This is an experience that does not often come my way, and I regard it as a temporary honour.

**Senator McCutcheon:** There is no need to be sarcastic.

**Hon. Mr. Winters:** I presume that at this stage of your deliberations you have had statements about the Kennedy Round and its general effects, and that what you want from me are some general observations on what I think they might mean to the country, and where we go from here in our trade policy.

I made a full statement on this before a committee in another place. I presume the proceedings are available to this committee, and they may or may not have been read. It was a rather long statement, and, if I may say so, a rather dull statement, but it was a statement of the factual situation as I saw it as a result of our participation in the Kennedy Round of negotiations. I know there are some controversial aspects of the results, particularly at a time when the economy is showing a few indications of softness here and there, and the exposure to foreign products is apt to be blamed on the results of the Kennedy Round.

But, we were in a unique position, and a position in which we may or may not be able to find ourselves in another round of negotiations. We shall not face this again for a number of years, because nobody is going into another round of negotiations in a hurry. But, the fact of the matter is that at this stage of our development we got an exemption from the linear approach to tariff cuts, and we were able to negotiate on a more selective commodity by commodity basis, and we made the biggest cuts in those areas in which we can sustain them, namely, in the field of primary products and, of course, agricultural products, which we produce best, and we were able to minimize our concessions in the field of manufactured goods which is the area



where we must seek further development in this country if we are to be a developed country in the true sense of the word.

Mr. Sharp did extremely well in asserting that position at Geneva, and he won the consent of the other countries to allowing Canada to negotiate on that basis. So, what we have succeeded in doing as a result of hard negotiation is to gain access to the industrialized countries of the world for a broad range of manufactured products, while keeping our concessions in these fields to a minimum. We made our greatest concessions in the field of primary products—those elements that contribute to the cost of production—and in certain areas where we knew the imports would help our productive effort and at the same time minimize the costs. I have in mind particularly the field of machine tools and machinery, where we gave away a considerable package of reductions.

Perhaps our biggest single item was in the field of wheat where we felt we had to have a new wheat agreement. We called in the farm community to sit with us and to negotiate with us, and they were, in fact, part of the negotiating team. We wanted a higher price for our wheat because over the period from the last wheat agreement costs had risen, and the price we were seeking was little more than that necessary to compensate for the cost increases in the meantime. This was a very difficult negotiation, because there are very few wheat net exporters in the world, and we were up against a great array of importers. Naturally, it takes two to make a deal. You have to have a buyer for every seller. However, we finally succeeded in getting a deal which we regarded as the most satisfactory that could be negotiated under the circumstances.

It was not all that we wanted. We sought a higher price range. We sought greater guaranteed access to the markets of the world, and we wanted a pretty far-reaching food aid agreement which would help regularize the marketing of the product.

We did not succeed in getting a guaranteed access because in this nationalistic environment in which we are living everyone wants to be self-sufficient, and this is difficult for us when we have to rely on a particular commodity which means so much to our overall economy. We did succeed in getting a food aid agreement in the amount of 13.5 million tons over a period of three years, and Canada becomes the second largest contributor to that.

The countries that do not have wheat or other cereals to give are able to contribute in kind, but by virtue of the fact that this wheat is taken off the commercial markets and given to Food Aid it does help strengthen the commercial markets.

The price range we got was not considerably higher. This was a tough negotiation, and naturally all the buying countries of the world did not go for it wholeheartedly, because they did not want to increase their costs either.

Because of the fact of government machinery being what it is we were not able to get this agreement implemented last year, and at the moment we are without a formal wheat agreement.

**Senator McCutcheon:** Is there any agreement as to when we will have one?

**Hon. Mr. Winters:** If you will allow me to deal with that afterwards, Senator McCutcheon, I will be glad to do so.

The fact of the matter is that wheat is now trading as a result of the negotiations at a considerably higher price than it was under the old international wheat agreement, so we are better off to that extent. Wheat is now trading in world markets at very close to the minimum under the new proposed international wheat agreement.

We have signed the protocol. Nearly all of the participating countries have signified their intention of signing the international wheat agreement. We propose to place it before our Parliament here at the earliest possible date. The Americans have signed the protocol, and they intend to implement it on July 1, 1968. They have placed this before the appropriate Senate committee, and they have done a great deal of preparatory work.

In the last week or two I either visited or had talks with other producing countries of the world, notably the Argentine, Australia, the United States. We are taking every measure, individually and collectively to ensure the implementation and the ratification of the agreement, and as of this date I am confident that it will be ratified and put into effect. It has in it, of course, machinery for defending the minimum price, and so on.

But, in the meantime, in the absence of an agreement, and having in mind the fact that the farm community of western Canada believed that we would be operating under the framework of the new international wheat agreement, we have undertaken that in



respect of contracts in the meantime the Government will put the Wheat Board in a position of being able to pay the farmers of western Canada as though they were in fact operating at the minimum, and we have been selling on that basis for a while.

In the meantime we are having difficulty in the wheat markets of the world. We succeeded in making a good contract with China. We got two million tons a few days ago as the second allotment in the three-year contract we have with them. The negotiations were very difficult, because everybody is trying to sell wheat these days.

The overall supply of wheat on a world basis is not too badly out of line with what the normal supply situation is, but it is also true that through a variety of circumstances the importing countries, by and large, have had larger crops than usual. However, this is working out, and there are some signs that orderliness is returning to the markets.

Russia has taken up her allotment. Russia and China are now two very good markets for us. I had some talks when I was away last week with various countries, and I have grounds for optimism that we shall move a pretty good amount of wheat this year, although it will be less than the amount moved last year, which was in the record category. Prices will be somewhat softer, but we are looking forward to quite a good year.

I say this because, first, the tariff reductions that we made on January 1st last are, in compliance with our overall bargaining, going to be spaced over a period of five years. Some of the other countries have adopted the same policy as we have, or, perhaps, I should say vice versa, the other countries are going to stage their tariff cuts differently, and we are looking forward to where the next effort should be made.

In the Kennedy Round we not only wanted tariff reductions, but also the removal of non-tariff barriers, and we wanted a better anti-dumping code. We got that, but still we must attack this business of non-tariff barriers and try to generate a greater volume of trade between the underdeveloped countries on the one hand and the developed countries on the other.

We have done quite a bit of preparatory work on this. We went to Geneva last November and discussed this whole range of preferences between underdeveloped countries and developed countries and the reduction of tariff barriers. We pursued this in OECD in

Paris in December, and we are now in the process of trying to thrash out something at New Delhi, where there is a meeting of some 120 countries, 77 of which are characterized as underdeveloped, to try to broaden trading opportunities and facilitate world trade. We are talking in terms of a program of preferences for the underdeveloped countries, some removal of tariff barriers and greater freedoms for trade.

Ministers attended the first week of that New Delhi conference, when we all asserted our governments' positions. We have left teams of experts behind to see what they could work out. It is a very difficult exercise, but I am hopeful that something will come of it. We cannot expect the markets of the world to remain open to us if we refuse to take the goods they in turn produce. That applies particularly to the underdeveloped countries, who are now all trying to get into the manufacturing business and looking for outlets for their products.

**Senator McCutcheon:** You sent out another very high ranking expert, I understand, since you returned.

**Hon. Mr. Winters:** That is right, I did. We like to be well supported when we do our negotiating. We will try to work out something with these underdeveloped countries. We have asserted that we have a special interest in countries closest to us, in the Caribbean area, and we will try to make some special effort there.

On the whole I think world trade has moved forward. Last year we succeeded in meeting the target we set of \$11½ billion, which was deemed then to be high. We did meet it. We succeeded in exporting from Canada \$11.41 billion worth of goods and services, which was a new record. For 1968 we have set a target of \$12.3 billion. I have for a long time been looking to the day when we can export \$1 billion worth of goods and services a month, which will put us in the big league. When I came into Parliament in 1945 we were exporting \$2½ billion worth of goods and services, and we thought we were doing quite well.

We know some of the pros and cons as we go into 1968. We have the advantages of the Kennedy Round open to us and some new marketing opportunities for development in the countries of Eastern Europe and elsewhere. We face some potential obstacles and the threat of action taken by the United



States government with border taxes, together with some economic disturbance around the world, as well as some uncertainties in the movement of capital and so on. However, I am still confident that \$12.3 billion for 1968 is a justifiable target, and that it is a target within reach of the export community.

Last year, in 1967, as you recall, we brought our trade commissioners back from around the world and sent them to see the business community. The real purpose of that was to try to get to the smaller companies in Canada who might have export potential but did not have the resources to pursue it very far. We therefore took our facilities to them, and in the process we have uncovered a great deal of export potential in this country which had no way of getting trade products to the markets.

The other day I had prepared for me a paper to show the results of that operation, "Export 1967," and the preliminary indications so far are that as a direct result of that exercise we have \$22 million worth of new orders, which have certainly made the operation a good investment, and a great many potential opportunities are still coming forward. We still have some 6,000 or 7,000 queries to process as a result of that operation, and they are on the desks of our trade commissioners around the world. I think that collectively we have managed to establish a new awareness of the export opportunities open to Canadians. We have been trying to do that, and with the Kennedy Round available to us now I think we can look forward to greater opportunities.

**The Chairman:** Thank you, Mr. Minister. Perhaps I might throw the first question. I think we all agree that generally these tariff reductions will benefit Canadian industry. There is no doubt about that. Could you say something about the sectors of Canadian industry which might have to readjust their production in order to compete, and tell us if the Government is planning anything to help those industries?

**Hon. Mr. Winters:** It is very hard to say what sectors will be hit. Personally I am optimistic that no areas will suffer too badly as a result of the Kennedy Round. Because of the nature of our negotiations we are able to protect our secondary sector and have made our cuts in the primary sector where we need the raw materials and tools for our productive

effort. There have not yet been too many signs of dislocation as a result of tariff cuts, which came into effect only on January 1. However, we anticipate that there will be some dislocations; people will want to move from one product to another as a result of opportunities opened up or as a result of more tariff exposure, and the Government has developed a program of aids and adjustments which will help people to move into other areas or move from one product to another in certain areas. This program was announced some time ago by the Prime Minister. It involves the Department of Industry, wherein a series of loans is available; it involves the Department of Manpower, where there is a transfer program. There is one other. Mr. Schwarzmann reminds me that we are involved as far as exports are concerned, because where we see a slackening we make an intensified effort.

**The Chairman:** Are there any questions?

**Senator Hays:** You say we will reach an export figure of \$12 billion this year. How does that compare with other leading exporting countries?

**Hon. Mr. Winters:** We managed to buck the trend. At a time when world exports have been rather stagnant we have managed to make new penetrations, because I think we are at that stage of our development when we are just coming into the field of secondary manufactures and our export community is becoming more aware of the markets of the world. As a result of this variety of circumstances we were able to buck the trend and get this substantial increase last year. Most of it, of course, was in the American market, and we outperformed the Americans in the field of exporting. I think we outperformed most of the other countries of the world. I think we rank fifth now among the exporting countries of the world.

**Senator Hays:** Who would be leading us?

**Hon. Mr. Winters:** The Americans, the British, the French, the West Germans and I think perhaps the Japanese, might. Their target for last year was about \$12 billion in United States funds as contrasted with ours. When I was there in September, they were not attaining their targets. They were inclined to take some steps to increase their exports.



**Senator Hays:** I have another question, through the Chair. Have you noticed much of a build-up of inventory throughout the world? You mentioned wheat as one, what about the other fields?

**Hon. Mr. Winters:** Last year there was considerable working off of inventories. That was one of the factors. There was a little bit of a pause in the economic growth. One of the strengths of the economic situation on a world basis, particularly in the United States, is that there will be some restoration in the inventory positions going into this year.

In wheat, the normal importing countries of the world did have good crops last year all through Europe. Some of them have become exporters on a temporary basis, that is, there has been a scramble for markets, with a depression of prices. The Australians have been selling diligently around the world. They did not have as much wheat as they thought they were going to have—unfortunately for them.

**Senator Paterson:** In regard to wheat which is being exported from the United States, are they inclined to cut prices?

**Hon. Mr. Winters:** They have been inclined to cut prices, and provide subsidies.

**Senator Paterson:** They have to.

**Hon. Mr. Winters:** That is right.

**Senator Paterson:** They have one million bushels of wheat.

**Hon. Mr. Winters:** They set a target this year to export 750 million bushels and they are determined to meet it.

**Senator Paterson:** What is our prospect?

**Hon. Mr. Winters:** Of selling?

**Senator Paterson:** Quantity?

**Hon. Mr. Winters:** I would venture to guess that we will be pretty close to 400 million bushels if the Russians come in, but I would not want you to take this as a definite figure because I have a conference with the Wheat Board this afternoon and I would like to be brought up to date. It will take a lot of diligent selling to get that. The Australians have been selling very diligently. I saw the other day that they made a contract in Chile. The Argentinians have been selling and the

French have been selling, too. They sold to China the other day, on quite favourable terms.

**Senator Pearson:** Is it expected that France will be exporting permanently, now, or not?

**Hon. Mr. Winters:** I would think that it would be more or less permanently, an exporting nation.

**Senator Pearson:** Could they not be brought in to a world board, like other nations and Canada?

**Hon. Mr. Winters:** They will be. They negotiated as part of the common market with other countries and they will be part of this program.

**Senator Paterson:** And Turkey also, is that an exporting country now?

**Hon. Mr. Winters:** I am not so sure of the Turkish situation.

**Senator Thorvaldson:** Do I understand, with regard to wheat, you expect a new wheat agreement to be signed this year?

**Hon. Mr. Winters:** Yes, I do, senator.

**Senator Paterson:** Is there any foreign exchange difficulty in getting wheat, will that be part of the reason that we have difficulty in selling?

**Hon. Mr. Winters:** Oh, I think it is just a market situation, and I imagine there are barter deals going on in some parts of the world. I do not know. As you know, we sell to the Chinese and take sterling in repayment. Generally speaking, we like to get paid in dollars. We have always regarded wheat as a cash crop, as a basic backstop of our economy.

**Senator Paterson:** What is the position in regard to India? Are they taking it?

**Hon. Mr. Winters:** They do, and they even are getting it for nothing from us. But I told them this time that I would like them to buy some wheat, and they responded well to that request. They have been buying a portion of their wheat from the United States and from the Australians. I think that the prospects of selling some wheat in India are reasonably good, senator.



**Senator MacKenzie:** I wonder if the Minister will say a word about the situation in regard to sugar, having in mind that the West Indies, if I gathered the position, are anxious that we should import more of their sugar, and some of our own producers and manufacturers seem to be finding some difficulty about it?

**Senator Thorvaldson:** May I ask one more question about wheat, before you turn to sugar?

**The Chairman:** This is a supplementary.

**Senator Thorvaldson:** In regard to the two million tons deal with China, which I gather is approximately 60 million bushels, during approximately what period of time...

**Hon. Mr. Winters:** Three years.

**Senator Thorvaldson:** ...do you expect to export that quantity?

**Hon. Mr. Winters:** Oh, the two million tons—it is moving now and moving well and it will move for the better part of this year.

**Senator Thorvaldson:** In other words, they might be in the market again a year from now?

**Hon. Mr. Winters:** They will be in the market again. This is a three-year agreement, and this is the second of the three years. It is open to negotiation next year and we will negotiate and I expect we will be in the market.

**The Chairman:** We had a question from Senator MacKenzie about sugar.

**Hon. Mr. Winters:** Yes. This is a vexing problem between us and the Caribbean countries. The world sugar price is depressed and is considerably lower than the cost of production in the Caribbean areas.

**Senator MacKenzie:** Is this due to over-production in the world market?

**Hon. Mr. Winters:** It is due to over-production in the world market, in part; but it is also due to their production being quite inefficient. It is small scale production. It is largely labour-intensive. They have not been able to bring into play the mechanized form of production, because it is a matter of Government policy with them. What is sustaining them is that they have made contracts with the United

Kingdom and with the United States for some sugar at prices higher than the world market prices. The price at which our refiners buy are world market prices; and as a means of alleviating the situation until such time as we can get the world sugar agreement which we are very devoted to, we have agreed to pay to them, on an *ex gratia* basis, an amount of 29 cents a hundredweight, which is the remaining element of the preferential tariff. It is the way we do it, because we cannot do it in a more direct way. We do this in respect of a certain quota, which is related to the average amount of sugar we bought from British Caribbean countries over the last three years, or five years. I think it is two hundred and some odd thousand tons. We are in the process now of getting final figures for the amount of sugar we bought from those countries in 1967 and we are going to make payments to their governments in the amounts of 29 cents a hundredweight, which is about \$5.80 a ton; and while it is not sufficient for their purposes, it is a substantial help. Their total return on sales to Canada, including the rebate, will be about \$26.

**Senator Rattenbury:** How do you do in your relations with them?

**Hon. Mr. Winters:** The United Kingdom made an agreement with them, and they pay more for it. What the United States pay is related to their price for sugar beet, for sugar. It is very difficult to ask our refiners to pay a higher price for Caribbean sugar, at a time when they can go and buy from Russia, South Africa, Cuba—which are highly mechanized and low cost countries. We are looking for export markets for our confectionery, our secondary manufactures, and it gets to be an involved situation.

**Senator MacKenzie:** What about our own growers?

**Hon. Mr. Winters:** Our own growers? We are having a delegation this afternoon from Chatham, who are going to implore us to do something about the closure of the sugar beet plant in Chatham, which is operated by the Canada & Dominion Sugar Company, which has come to the point of there being no profitability in it and they are going to close the plant.

**Senator MacKenzie:** Is this the situation in Alberta in regard to refining sugar?



**Hon. Mr. Winters:** No.

**Senator Thorvaldson:** Are the sugar beet growers in Canada subject to subsidy?

**Hon. Mr. Winters:** Yes, they are. I think last year the support price was \$14½ a ton.

**Senator Croll:** Why can they operate in Alberta at a profit and not in Chatham?

**Hon. Mr. Winters:** I think it is a matter of volume. They would not have operated at all in Chatham this year had there not been a guarantee of 20,000 acres of production. They got the 20,000 acres of production, which is very difficult to get; but even so, the costs have gone up so much, the operating costs and other factors, that the profitability has disappeared. The plant has become old and run down and it will take a lot of capital to rejuvenate it; and even then they could not be sure of a profitable operation, so they told us and told the beet growers, that they are going to close the plant.

**Senator Thorvaldson:** Do you think the question of freight rates might be a factor both in regard to the operations in Alberta and in Manitoba?

**Hon. Mr. Winters:** I imagine that transportation would be a factor. I do not know to what extent.

**Senator McCutcheon:** As I heard the minister when he was giving his opening statement, he said that we had been anxious to get a better anti-dumping code and that we had got that. My conversations with Canadian manufacturers would lead me to believe that a great many of them feel that it may be a better anti-dumping code from the point of view of exporters but that it leaves them exposed to very serious disabilities. They are concerned that large dumps may be made before the board can act. I wonder if the minister would comment on that?

**Hon. Mr. Winters:** I know there is some apprehension. There is always some apprehension wherever there is change. In this case it is related to injury. You have to prove injury. The machinery is there for faster determination of injury than under the present code. All I can say at this stage, Senator, is that it is too early in the game for me to predict whether it will be more difficult for them or otherwise, but we think that it is a better code than the one we had.

**Senator McCutcheon:** But, because of proof of injury, the machinery will not operate as quickly as it does under the present code.

**Hon. Mr. Winters:** It is designed to operate more quickly in determining whether we are subjected to anti-dumping regulations in foreign countries. In particular we are concerned about the United States where it took a long time.

**Senator McCutcheon:** I appreciate that.

**Hon. Mr. Winters:** We figure the machinery will be much faster there.

**Senator McCutcheon:** How quickly will the machinery adjustment board be able to operate in case of imported machinery and applications for remission of duties?

**Hon. Mr. Winters:** Well, we have not had much experience of that, but we set up a board with terms of reference to act expeditiously, and I think they will, Senator. We are hopeful that there will be a pretty good performance.

**Senator McCutcheon:** Are they operating now? I understand there is no chairman.

**Hon. Mr. Winters:** The board is set up.

**Senator McCutcheon:** Has a chairman been appointed?

**Hon. Mr. Winters:** Has a chairman been appointed?

**Mr. M. Schwarzmann, Assistant Deputy Minister (Trade Policy), Department of Trade and Commerce:** No. No chairman has been appointed, but several hundred applications have been dealt with.

**Hon. Mr. Winters:** I have been out of touch for three weeks, but apparently there have been a number of applications dealt with expeditiously.

**Senator McCutcheon:** Notwithstanding that no chairman has been appointed. Thank you.

**The Chairman:** Are there any other questions?

**Senator Thorvaldson:** I would like to ask the minister a question with regard to the New Delhi Conference he was attending. I take it for granted that, if the conference is of great importance, certainly it is so felt by the underdeveloped countries. What are the



prospects of the underdeveloped countries' achieving what they want, namely a reduction in tariffs of developed countries on their natural products.

**Hon. Mr. Winters:** It is going to be a long hard fight. Everybody talks about greater access. I think everybody has a different concept. Our own concept is that we want to do this quite selectively. We are trying to develop the next stage of our economy, as I said, and get into more upgrading of our raw materials and get more value added. We are not ready for complete exposure. I would be glad to do this on a selective basis. In fact, we have added tropical products, but then this is easy for us to do on the basis of the nature of our country. Nevertheless it is a great thing for the underdeveloped countries. We have told them that we would consider preferential tariff arrangements provided on a universal basis and not on a regional basis.

They also considered that these preferences should not be on a reciprocal basis. That is, the underdeveloped countries should not be required to give preferences just because we give preferences to them. But there are some areas—such as in the British Commonwealth countries—where we have agreements on preferential tariff positions. And the amount of trade we do in these areas under these preferences is quite substantial. We would have to look very closely on that before we gave up these preferences, and, if you give them up, what do you get in return? If we give up our preferences in one area, the other countries of the world have got to be prepared to do something by way of compensation. When you work all these factors in together—although everybody wants to give and we have agreed, I think in principle, that these underdeveloped countries should be given broader access to the markets of the industrialized countries—you find that we are still in the process of trying to thrash out how that will be done. I have confidence that something will be done, but just how I am not clear at this stage.

**Senator Pouliot:** Mr. Chairman, I wish in the first place to tell the minister how pleased I am to see him here today and to tell him that what he has done to promote Canadian trade in various parts of the world is appreciated. Now, when you deal personally with any country to promote Canadian trade, you come to a bilateral agreement. I am sure that you have done that several times, approaching

other countries for negotiations to promote Canadian trade.

**Hon. Mr. Winters:** That is right, Senator.

**Senator Pouliot:** You have done that?

**Hon. Mr. Winters:** That is right, Senator. I have done that.

**Senator Pouliot:** And it is done also by the consuls general, the consuls and the commercial agents. That is the case?

**Hon. Mr. Winters:** That is right, sir.

**Senator Pouliot:** You have done similar work by virtue of multilateral agreements as well. But what I want to know is if the amount of Canadian trade gained by multilateral agreements is larger than that gained by virtue of bilateral agreements?

**Hon. Mr. Winters:** I cannot give you quantitative figures on that, Senator.

**Senator Pouliot:** Just rough figures.

**Hon. Mr. Winters:** Our belief is that multilateralism is the right approach to this matter of world trade. We try to do as many deals as we can bilaterally, however, and in the last few years we have done quite a few. But we try to do them within the framework of the rules of the game governing multilateral trading. This is where the great access to the markets of the world is. It is from multilateralism.

**Senator Pouliot:** But your sale of wheat to China, for instance, or to countries behind the Iron Curtain is done by bilateral agreements.

**Hon. Mr. Winters:** That is bilateral within the framework of the international wheat agreements. It is a bilateral negotiation. That is right, sir.

**Senator Pouliot:** Thank you.

**Senator Thorvaldson:** I have just one more question, Mr. Minister, that I would like to ask in regard to the Kennedy Round negotiations. You were referring awhile ago to the tariff barriers and also, of course, to the non-tariff barriers, which we all know to be serious in many places. What is the United States' situation in regard to non-tariff barriers? In other words, are we continuing to be faced with problems that are non-tariff in nature in getting our goods in the United States? Or is that situation easing up? I know it was bad many years ago, but is it easing now?



**Hon. Mr. Winters:** There are areas in which we are still faced by non-tariff barriers. The American team at GATT is just as anxious to get rid of them as we are. They are largely a matter of administration. We are still faced with non-tariff barriers around the world. We are faced with them ourselves. We are not simon-pure on this ourselves. But by a collective approach we can develop more rules in the international marketplace which will give exporters a clearer understanding of what they are up against.

Tariffs are not the only thing. There are secondary considerations like quotas and other things.

**Senator Thorvaldson:** I would say especially in the United States, because one would think that they would be beyond the place now where they would have these hidden barriers.

**Hon. Mr. Winters:** I think the situation is improving.

**Senator Croll:** In connection with world trade, I think you said that the United States is first, then Great Britain, and then France, Germany and Japan. The French position has suddenly come up, it seems to me. Or have they always been in third position? I thought Sweden was in third position.

**Hon. Mr. Winters:** On a per capita basis Sweden is high, but not so on a total basis. On that basis they are not big-league. I cannot give you the right order in which they stand now, senator, however.

**Senator Croll:** I gather from what you say that on a per capita basis none of them has done better than we have.

**Hon. Mr. Winters:** None of them has outperformed us; we stand pretty high on the basis of performance.

**Senator McCutcheon:** But other than on a per capita basis?

**Hon. Mr. Winters:** Well, when you consider \$12.3 billion worth of exports, there are not many countries that have done better than that.

**Senator McCutcheon:** I was thinking that taking into account the leading export countries on a per capita basis we probably stand higher.

**Senator Croll:** Are we making enough money available for these countries who want to trade with us and just do not have the money to pay? Are we making loans available?

**Hon. Mr. Winters:** Yes, we are. The other day when I was in India we made a loan available on the basis of \$21.14 million and we backed that up with a pretty good range of credit facilities. We have at the moment Mr. Doug Gibson making a thorough study of the situation and doing a thorough and complete survey of our credit facilities to see if there are any things more we should do in the private sector, the banking system, the credit institutions and government. We want to put at the disposal of the exporting community the proper credit facilities and of course in some cases we facilitate them by making loans available to countries to buy Canadian goods. Then of course there is the question of whether it should be a tied loan or an untied loan. But generally speaking we do our best.

**Senator Pearson:** You mentioned the sum of \$12 billion in exports. What percentage of that would be covered by armament sales to the United States?

**Hon. Mr. Winters:** I couldn't say, senator, I just don't know.

**The Chairman:** Any other questions? On your behalf, honourable senators, I wish to thank the minister for being with us this morning and I thank him for his informative and very interesting exposé. Mr. Winters, please be sure you are always welcome and it is a pleasure to have you with us. Thank you.

Before I entertain a motion for adjournment, gentlemen, we are trying to arrange for a meeting next week, probably on Thursday, to deal with Supplementary Estimates (C) which is the last one. If it can be arranged, a notice will be sent to you in the usual way.

The Committee adjourned.







Second Session—Twenty-seventh Parliament

1967-68

# THE SENATE OF CANADA

## PROCEEDINGS OF THE STANDING COMMITTEE ON

# FINANCE

The Honourable J.-P. DESCHAMPEL, Chairman

No. 7

*Sixth Proceedings of The Committee*  
laid before Parliament for the first time on 22nd March, 1968,  
including Supplementary Proceedings

THURSDAY, FEBRUARY 22nd, 1968

### WITNESSES:

*Treasury Board:* S. Cloutier, Assistant Secretary, J. G. Gauthier,  
Director, Estimates and Supply Procedures Division

QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1968







Second Session—Twenty-seventh Parliament

1967-68

# THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

## FINANCE

The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

No. 7

### *Sixth Proceedings on The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1968,  
including *Supplementary Estimates "C"*.

THURSDAY, FEBRUARY 22nd, 1968

WITNESSES:

*Treasury Board*: S. Cloutier, Assistant Secretary; J. G. Glashan,  
Director, Estimates and Supply Procedures Division.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1968





Second Session—Twenty-seventh Parliament

1957-58

THE STANDING COMMITTEE ON FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird	Kinley
Aseltine	Leonard
Beaubien ( <i>Bedford</i> )	MacKenzie
Beaubien ( <i>Provencher</i> )	McCutcheon
Bélisle	Méthot
Benidickson	Molson
Burchill	O'Leary ( <i>Antigonish-Guysborough</i> )
Choquette	Paterson
Cannolly ( <i>Halifax North</i> )	Pearson
Croll	Phillips
Denis	Pouliot
Deschatelets	Power
Desruisseaux	Quart
Dessureault	Rattenbury
Everett	Roebuck
Farris	Savoie
Gélinas	Smith ( <i>Queens-Shelburne</i> )
Gershaw	Thorvaldson
Grosart	Vaillancourt
Haig	Vien
Hayden	Welch
Hays	Zuzyk—(46).
Isnor	

*Ex officio members:* Connolly (*Ottawa West*) and Flynn.

THURSDAY, FEBRUARY 23rd, 1958

WITNESSES:

Treasury Board, S. Cloutier, Assistant Secretary; J. G. Glashan,  
Director, Estimates and Supply Procedures Division.

## ORDERS OF REFERENCE

1. Extract from the Minutes of Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

2. Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

3. Extract from the Minutes of the Proceedings of the Senate, Tuesday, October 31st, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1968; and



That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (B) and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

4. Extract from the Minutes of the Proceedings of the Senate, Wednesday, December 6th, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under the General Agreement on Tariffs and Trade, tabled in the Senate on 31st October, 1967; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Canada Tariff Concessions and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

5. Extract from the Minutes of the Proceedings of the Senate, Wednesday, January 24th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the Public Accounts of Canada, Volumes I, II and III, for the fiscal year ended the 31st March, 1967, tabled in the Senate on 22nd January, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Public Accounts of Canada and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

J. F. MACNEILL,  
*Clerk of the Senate.*

6. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1969, in advance of the Bills based on the said Estimates reaching the Senate; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

7. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Supplementary Estimates (C) for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

ROBERT FORTIER,  
Clerk of the Senate.





## MINUTES OF PROCEEDINGS

THURSDAY, February 22nd, 1968.

(7)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 11.00 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Aird, Beau-bien (*Provencher*), Benidickson, Burchill, Connolly (*Halifax North*), Croll, Dessureault, Everett, Flynn, Gelinias, Grosart, Hayden, MacKenzie, O'Leary (*Antigonish-Guysborough*), Paterson, Pouliot, Rattenbury, Roebuck and Smith (*Queens-Shelburne*).

The Estimates laid before Parliament for the fiscal year ending 31st March, 1968, together with Supplementary Estimates "C".

### WITNESSES:

#### *Treasury Board:*

S. Cloutier, Assistant Secretary.

J. G. Glashan, Director, Estimates and Supply Procedures Division.

The Honourable Senator Grosart raised a *point of order* with respect to the constitutional authority of the Committee to carry on business.

After discussion, the Chairman ruled that the *point of order* was out of order.

The Honourable Senator Flynn moved that the Committee *do now adjourn*.

The question being put, the motion was declared *Lost*.

The witness, Mr. Cloutier, agreed to supply information regarding sub-sidies as contained in the Estimates.

The Chairman, on behalf of the Committee, thanked the witnesses for their appearance before it.

At 12.30 p.m. the Committee adjourned to the call of the Chairman.

### Attest:

Frank A. Jackson,  
Clerk of the Committee.





## THE SENATE STANDING COMMITTEE ON FINANCE

### EVIDENCE

Ottawa, Thursday, February 22, 1968.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1968, met this day at 11 a.m.

**Senator Jean-Paul Deschatelets** (*Chairman*) in the Chair.

**The Chairman:** Honourable senators, we have a quorum and we might as well proceed. We have before us the Supplementary Estimates (c) and we have as witnesses this morning Mr. Sylvain Cloutier, the Assistant Secretary of the Treasury Board, and Mr. J. G. Glashan, Director of the Estimates and Supply Procedures Division.

The purpose of this meeting, as you know, is not to approve these supplementary Estimates but to get from the witnesses information before we are asked in the house to approve them. I would call immediately on Mr. Cloutier and ask him to give us right at the outset what appear to be the main features of the Supplementary Estimates (c).

**Senator Grosart:** Mr. Chairman.

**The Chairman:** Senator Grosart.

**Senator Grosart:** Before you call on the witnesses, Mr. Chairman, on a point of order I suggest to you that it is improper for this committee or this Parliament to give any consideration at this time to proposals by a Government which has not the confidence of the elected representatives of the people of Canada to increase expenditures of public money by approximately \$288 million.

I say this because at the moment proposals of the main estimates including the budget to spend approximately \$400 million have been rejected by the House of Commons. How, then, can we in this committee with any degree of propriety or constitutionality consider additional proposals that have not even

been presented to the appropriate chamber of this Parliament? It may be said, as you mentioned, that we are merely looking over these proposed expenditures and that in this committee we are not enacting them. However, I should point out that it is the normal practice of this committee to report that it has examined these estimates, and the assumption is that it has found nothing averse to report. In the present case I suggest that we can only report that in these circumstances no such additional spending estimates can properly be before any of the functionary bodies of Parliament, of which this committee is one.

Rather than have us do that, Mr. Chairman, I suggest that you now rule that it would be a practical and constitutional absurdity to give any kind of consideration to any such proposals unless and until they are put before us by a government that has the confidence of this Parliament. And I say further, Mr. Chairman, that it is not merely an exercise in granting additional spending powers or in considering proposals to make additional expenditures by the Government, if indeed it is a constitutional Government, because I would point out to you that in these supplementary Estimates placed before us prior to the meeting, in nine cases it is proposed to extend the purposes of votes in the main Estimates. These are Agriculture; Energy, Mines and Resources; Indian Affairs and Northern Development; Manpower and Immigration; Secretary of State; Trade and Commerce; Veterans Affairs; Atomic Energy and, again, Indian Affairs and Northern Development.

We are asked to extend the purposes of the main vote, or main Estimates, at a time when the main Estimates in part have been rejected by Parliament.

**The Chairman:** Not to increase the amount, Senator Grosart.



**Senator Grosart:** First of all, I would say to extend the purposes, which is perhaps going even further than to increase the amount. I would also point out that there is a proposal here to increase the amounts granted under the National Housing Act by some \$375 million. Admittedly, it does not involve that additional expenditure, but the supplementary Estimates do ask the power to increase expenditures under the National Housing Act by \$375 million. I would further point out that these supplementary Estimates propose to amend Acts of Parliament in five different instances, including three instances where the suggestion is to set aside the provisions of one of our most important financial control acts, the Financial Administration Act. There are three suggestions here that we set aside the provisions of an Act of Parliament on the suggestion of a Government which does not have the confidence of Parliament. The other two are suggestions that we should set aside the provisions of the Adult Occupational Training Act, and the Railway Act.

In these Estimates we have now come to the point where those who prepare them have set aside all the sham of "notwithstanding" and now say on page 28 that we are going to use the supplementary Estimates actually to amend an act. The actual wording is "that the Pension Act be amended as follows:". It is true that the amendments are only to schedules and amounts, but these Estimates propose to amend the act, and say so. I therefore submit to you that it is quite improper and unconstitutional for this committee of Parliament to give any consideration whatever to such a proposal that does not have the confidence of the House of Commons.

**The Chairman:** Would any other honourable member like to speak to the point of order?

**Senator Roebuck:** I would. I do not have a prepared speech like my honourable friend. However, I think he has missed some of the outstanding points. To begin with there is an old saying which has stood the test of time to the effect that "His Majesty's Government must be carried on." He makes two or three points the first of which is that the Government does not hold the confidence of the House of Commons. I think this is entirely aside from the situation, but I would point out that there is a motion before the House of Commons at the present time of confidence in

the Government which no doubt will be carried in due season. Aside from that, it does not have anything to do with what we are doing here today. Certain Estimates have been referred to us by the Senate and I am sure my friend does not argue for one moment that the Senate has gone out of business. Surely he does not say that our powers, and so on, are in any way affected by what is going on in the other place.

Our duty at the present time is to consider these estimates and report on them to the house. If my friend's statements have any merit or any validity whatever they should be made in the house and not in this committee. The duty of this committee is perfectly clear. A legislative body, the validity of which does not come into question, has referred these Estimates to us and it is now our duty to consider them and to make our report. Surely my friend is not arguing that Parliament has gone up in the air or something of that kind?

If he were arguing that there was a revolution taking place in this country, it might be understandable.

**Hon. Mr. Grosart:** I didn't argue that.

**Hon. Mr. Roebuck:** No. He still concedes that we are still a properly constituted body with all the powers, rights, obligations, duties and responsibilities we have ever had. One of those responsibilities is to do what the chamber told us to do and to consider the Estimates and make the appropriate report on them. I submit to you, Mr. Chairman, that we should proceed with our work and not allow these political ideas—my friend is one of those who imagine things in the future and we should not allow that sort of thing to interfere with the plain duty of this committee. We should consider these estimates and make our report.

**Senator Croll:** Mr. Chairman, it is quite evident that this committee is a child of the Senate. Yesterday there arose in the Senate the question as to whether we were properly constituted and whether we could or should carry on the business of the Senate. That matter was settled by the Senate and this committee, being its child, is carrying on in the normal way. Whatever we do, whether we make a report or not, makes no difference as long as the Senate is properly constituted.



If the Senate is properly constituted, then we are properly constituted and should carry on with the business before us.

**Senator MacKenzie:** Mr. Chairman, mine is a question of substance rather than a question on the point raised by Senator Grosart. I would be grateful if he would tell me how he would propose to have the pensions of the veterans increased at this particular time in history if we do not proceed to act on them. The veterans have known for some months that they were probably going to get this increase and they were counting on it. Now, if this cannot be done in this way by way of supplementary Estimates, do they have to wait until another budget does through? That is my question, and I direct it to Senator Grosart. I use this as an illustration of what would happen in a general condemnation of a number of items which you say would in a sense be unconstitutional on the grounds that powers have been taken over by the Government which really belong to Parliament. I think that is the basic issue.

**Senator Grosart:** I can say in reply that the position of many of the supplementary Estimates before us is such that I find myself in complete agreement including the disability pensions referred to. But I would say to Senator MacKenzie as one at whose feet I sat when I learned constitutional law 40 years ago that I don't think the principles he inculcated in me have been changed very much. I would say it is entirely proper to object to procedure without in any way compromising one's position on a principle. We have heard it said over and over again that the beginning of the breakdown of democracy is inevitably the breakdown of procedure.

**Senator Hayden:** Mr. Chairman, it seems to me that two points have been raised by Senator Grosart. I would like to address myself first of all to what he called the constitutional question. To me it is a very simple matter; Parliament is in session, and Parliament being in session the two houses may sit when they are so determined. Each one is master of his own destiny. The Senate is master of its own procedures; it can decide what it will consider and when it will consider it. And it takes no direction from the House of Commons in this matter. There are only two ways to terminate a session of Parliament; one is by dissolution and the other is by prorogation. Neither one has happened at this time

and whatever is going on in the House of Commons has not resolved itself. Since Parliament is in session we are masters of the Senate and the Senate may decide what our course of action shall be. As I understand the Estimates before us, this is a matter of education to expenditures. I would expect that in due course there may be certain bills coming in and at that time other questions can be raised.

The second question that Senator Grosart brought up concerned the right or legality or authority or wisdom, in fact, of amending in the Estimates acts the amendment of which will ultimately have the authority of a bill. I would say that these are matters he can raise at that time. He is not being shut out.

But, certainly, this committee should not stop the process of gathering information, so that it will be able to deal intelligently with these matters. This is an education in advance that we are getting.

**The Chairman:** In other words, it is an informational meeting?

**Senator Hayden:** Yes.

**Senator Croll:** Mr. Chairman, may I point out that certain wording on page 28, reflects bad draftsmanship. It says:

...that the Pension Act be amended as follows:...

What they meant was that the schedules be amended, and there is no reason why they cannot be amended. As Senator MacKenzie pointed out, it becomes necessary in the course of time. The wording is rather unfortunate, and we are pretty sensitive about amending a bill by having a supplementary Estimate.

Paragraphs (b) and (c) are consequential, so really do not make any difference—but we will get to that in time.

**The Chairman:** Honourable senators,—

**Senator Grosart:** Mr. Chairman, may I very briefly reply to the comments that have been made?

**The Chairman:** Yes, Senator Grosart?

**Senator Grosart:** I do not want to get into the question of procedure on the Estimates; that is a larger question. I merely point this out to indicate we are doing something more than merely looking at \$281 million.



However, I would suggest to you that the form in which my point of order was raised was that it was improper for this committee to proceed. Naturally, this is a question of judgment. I agree with Senator Hayden's point entirely as to our relationship to the Senate and the Senate's mastery of its own procedures. The point I made was that it is improper. It is a matter of judgment...

**The Chairman:** Will you permit me, Senator Grosart?

**Senator Grosart:** Yes, Mr. Chairman?

**The Chairman:** In other words, you say that this committee has the right to sit, but should not sit?

**Senator Grosart:** No. Well, I might say this committee has the right to sit, but my objection is to it considering proposals—which is what they are—proposals of a defeated government to increase the burden of public expenditure.

I say that the whole principle of constitutional control of the Executive by Parliament rests on the power of the House of Commons to approve these Estimates. The House of Commons has refused, has, in effect, defeated an essential act of the Estimates and the Budget, and I would say it would be the part of wisdom, if you like, for this committee to postpone consideration of these Estimates until such time as the situation is clarified—as, no doubt, it will be—and when we can be in a position of considering the Estimates prepared and proposed as the basis of legislation, as Senator Hayden pointed out, by a government which is in the constitutional position of having the confidence of the House of Commons.

**Senator Hayden:** What my friend is saying is that we should stop the process of educating and informing ourselves until some future event occurs and certain decisions are made there. I thought the matter of educating yourself, and also of the committee educating itself, was a continuous process and one which never stops being continuous. And if it does, it is just too bad for the information and knowledge we may possess when we have to deal with these matters.

**Senator Grosart:** I am all for learning and obtaining information, as I think you know, Mr. Chairman, but I think it is a proper question as to what information you have before you. There are kinds of information

and education—and I am sure all senators would agree—which it would be improper for us to be concerning ourselves with at the moment. I will not go into detail.

**The Chairman:** Honourable senators, I wish to thank all those who have expressed their views on the point of order raised by Senator Grosart.

By the way, I want to thank Senator Grosart for his courtesy, because not only did he tell me of the point of order he was planning to raise, but he has also shown me his text, and I think I should thank him for his courtesy.

The principle on which Senator Grosart is basing his point of order, I think, has been decided by the Senate, by a vote in the Senate Chamber. Moreover, as I told honourable senators at the beginning, this is an informational meeting. I do not ask honourable senators to approve this morning of anything. This is an informational meeting which would precede the presentation of the bill in the Senate.

So, I come to the conclusion that it is today "business as usual," and therefore I rule that your point of order, Senator Grosart, is out of order.

We will, therefore, proceed, and I am asking now—

**Senator Flynn:** Mr. Chairman,—

**The Chairman:** Yes, Mr. Leader of the Opposition?

**Senator Flynn:** I will not renew the discussion, and I will not discuss the problem of the constitutional aspect of the question, but I suggest that presently the other place is concerned only with one problem—

**The Chairman:** Will you permit me, Senator Flynn? Are you raising a point of order?

**Senator Flynn:** I have a motion to put, and I have a few remarks to make first.

**The Chairman:** Very well.

**Senator Flynn:** The other place is concerned only with one question, namely, whether or not the event which took place last Monday was a vote of non-confidence in the Government. This is the only problem, I think, with which Parliament should concern



itself at this time. It may be that the Government will be defeated; and, if it is, what we are doing here will be useless.

I am in favour of education, of course, but I do not like empty gestures at this time. I would rather educate myself in finding a solution to the present constitutional crisis.

Therefore, for practical reasons even, if the committee is not in agreement with the point raised by Senator Grosart, for practical reasons I think we would do much better in educating ourselves on the supplementary Estimates on another occasion, when we have a government which has the confidence of the house.

I therefore move, seconded by Senator Grosart, that this committee do now adjourn.

**Senator Smith (Queens-Shelburne):** Question!

**The Chairman:** I understand this is not a debatable motion so, honourable senators, you have heard the motion, that the committee should adjourn.

It is moved by Senator Flynn, seconded by Senator Grosart, that the committee should adjourn. Is the committee in favour of the motion? Those in favour of the motion, please raise your right hand.

Those against the motion?

The motion is lost.

**Senator Flynn:** Will you excuse us? We have to leave to study the constitutional question.

**The Chairman:** Your views are on the record, honourable senators.

**Senator Grosart:** May I say, in withdrawing, that I want to make it clear that this is not out of disrespect for you or your ruling, but I am bound by the principle of caucus solidarity.

**The Chairman:** Thank you, senator.

I call immediately on Mr. Cloutier, and I would ask him to give us the highlights of the most important items of the supplementary Estimates.

**Mr. S. Cloutier, Assistant Secretary, Treasury Board:** Mr. Chairman, honourable senators, before dealing with the supplementary Estimates, perhaps you would allow me to say how pleased and honoured I am to appear before you for the first time, and to say that I will, of course, do my best to answer any

questions you may put to me, but request also your tolerance if it transpires that the newness of the office I occupy prevents my knowing all the answers.

If you will allow me to address myself to the first page of Supplementary Estimates (C)—which is the third this year and, as far as we know, the last supplementary Estimates probably to be put before Parliament—these supplementary Estimates call for an increase in budgetary expenditures of \$281,619,260, to bring the budgetary account to a total of \$9,927,698,631. It increases loans, investments and advances by an amount of \$6,361,004 to a total amount of \$651,466,613.

If I may quickly go down the first page again and draw your attention to a few larger items, the first appears against the Department of Agriculture and the bulk of this amount represents the recouping of the Agricultural Stabilization Board account. This account stood in the main Estimates in the amount of \$100 million, which at that time was an estimated requirement. This closes the year's business on that account.

The second item to which I would like to draw attention appears against Finance in the amount of \$17,236,869.

**Senator Croll:** Is that No. 9?

**Mr. Cloutier:** Yes, against page 9. The bulk of this item represents the closing out of the Municipal Development and Loan Board Account, which has been operating for the last four or five years. The amount requested would permit forgiving the loans that have been allowed to the provinces.

**Senator Burchill:** Is that all closed off now?

**Mr. Cloutier:** Yes, this is closed off now, but this amount would permit the closing out of the operation in the next several months.

The next item to which I should like to draw attention is item 15, Manpower and Immigration. The total amount required for this department is \$70 million, which is made up really of two items. We are closing out all old accounts under the old Vocational Training Act, accounts which the provinces made in submitting to the federal Government and were received after the main Estimates were closed last year. There is also some additional amount for the Adult Occupational Training Program for accounts which could not be forecast accurately at the time the main Estimates were closed last January because the legislation was not through Parliament at that point.



The next item is on page 16 against National Defence, a requirement of an additional \$59,269,000, all of which is required for additional pay list requirements, the payrolls of both civilian employees and military personnel.

The other item I should like to draw attention to is on page 21, Trade and Commerce, a total amount of \$15,529,000, the bulk of which is required for wheat sales support. Honourable senators will recall that last September the Cabinet approved supporting wheat sales, and this is the requirement for that.

The only other large item in this Supplementary Estimate appears on page 22, the Department of Transport, for a total of \$23 million, the bulk of which represents the estimated loss of the C.N.R. for this year.

**Senator Benidickson:** Is that page 23?

**Mr. Cloutier:** The loss itself, I think, is in the order of \$21,245,000.

**Senator Benidickson:** What was the position in the year before?

**The Chairman:** We will get all this information.

**Mr. Cloutier:** It was \$25 million.

**Senator Benidickson:** It is a little less.

**Mr. Cloutier:** That is right.

**Senator Benidickson:** Can you segregate the profit or loss with respect to C.N.R.'s endeavour to provide better passenger service?

**Mr. Cloutier:** We have not got that information. At this point this item is included in the Supplementary Estimate.

**Senator Benidickson:** It is a composite amount?

**Mr. Cloutier:** It is a composite amount and an unaudited amount.

**Senator Benidickson:** But you represent an investigating body in the Treasury Board. Do you look at things like capital expenditures to increase passenger traffic? Contrary to what has been done by every other railway, I admire the competence of the C.N.R., but I want to know the result.

**Mr. Cloutier:** We do not have that information in the Treasury Board. The C.N.R. is a proprietary Crown corporation which is not subject to the same degree of control from

the Treasury Board as are departments and departmental corporations.

**The Chairman:** Senator, if the information cannot be supplied—

**Senator Benidickson:** Mr. Chairman, you and I sat in the House of Commons, and I think the House of Commons should investigate this thing from the point of view of capital expenditures.

**The Chairman:** I was wondering whether the witness could supply the information later on if it is not available this morning.

**Senator Benidickson:** I think the cabinet should, through the Treasury Board, make some inquiries into whether this has been a success or has not been a success, the expenditures for encouraging passenger traffic.

**Senator Rattenbury:** Are you referring now to whether more passengers were carried?

**Senator Benidickson:** No, profit.

**Senator Rattenbury:** Would not this be a development over a few years after the service has proved itself?

**Senator Benidickson:** Yes, but we have had about two or three years of it and I would like to see the progress.

**The Chairman:** Senator Benidickson, would you be satisfied to leave the matter to the witness, who will try to get as much information as possible on the points you have raised?

**Senator Benidickson:** I think Senator Rattenbury has had a proper look at this thing. It is a matter of four or five years.

**Senator Rattenbury:** Perhaps longer.

**Senator Benidickson:** I would like to have the witness come back next year and tell us about this.

**Mr. Cloutier:** Thank you, sir, we will.

**Senator Everett:** I was wondering how the Treasury Board receives notification of this deficit of \$21,245,000 from the C.N.R.

**Mr. Cloutier:** We receive it through the Department of Transport. The C.N.R. reports to Parliament through the Minister of Transport and it is through the Department of Transport that we are advised of this. You will appreciate that I have not been with the



board too long, but to my knowledge the Treasury Board has not had a direct communication with the C.N.R.

**Senator Everett:** I appreciate that you would not audit the individual expenditures in the way you would a normal government department, but it seems to me that you would receive a full financial statement to support it in detail; the Treasury Board would have to receive that in order to approve the deficit, and the question Senator Benidickson raises on the passenger service should be included in that financial statement. I am sure they could be broken down.

**Mr. Cloutier:** This financial statement is still in the process of preparation by the department and this is advance information that we have.

**Senator Everett:** That is right, but eventually you would have the financial statement.

**Mr. Cloutier:** Eventually we would.

**The Chairman:** Does that answer your question, Senator Benidickson?

**Senator Benidickson:** Is it not the fact that the Canadian National Railways business is audited by a private company, private auditors?

**Mr. Cloutier:** I believe so, although I could not say from personal knowledge.

**Senator Croll:** Yes, it is always there, an item that so and so be appointed auditors. I remember it in the house.

**Senator Benidickson:** In other words, the Canadian National Railways is not subject to the same scrutiny and public disclosure such as we have read about in the last two or three days in connection with the C.B.C.?

**The Chairman:** You mean, by the Auditor General?

**Senator Benidickson:** Or another Crown Company. The auditors of the C.N.R. are not the Auditor General of Canada. Is that right?

**Mr. Cloutier:** I could not answer that question. I do not know. There are some Crown corporations, and I do not know whether the C.N.R. is one of them, where the Auditor General is one of two auditing authorities.

**Senator Croll:** That is on the Bank accounts.

**Mr. Cloutier:** That is right.

**Senator Benidickson:** The Auditor General of Canada can be rather ruthless when he finds things in C.B.C. or any other Crown company, but an auditor privately hired for the C.N.R. would be reluctant to be critical. Is that so?

**Mr. Cloutier:** I would say that perhaps the terms of reference of the two auditors are different. The Auditor General holds his mandate from Parliament, whereas an ordinary auditor is under obligations, under the Companies Act, as to what he is to report on. There might not be full coincidence between those two mandates.

**The Chairman:** There is no question, senator, that the terms of reference of a private accounting firm, hired and paid for by a company, do not work with the same incentive, I would say, as in the case of the Auditor General. But your point is, should the Auditor General have a look into the accounting of the C.N.R. I think this is your point.

**Senator Benidickson:** I am the last person to bring this forward, but because of the publicity we had in the last few days about the C.B.C. ...

**The Chairman:** And other departments.

**Senator Benidickson:** ... and other departments, I wonder if we should not have a watchkeeper on the C.N.R. The auditors and accountants on the C.N.R. will not be critical of the C.N.R. publicly. They like the account and they get a great deal of revenue profit from auditing their account. I am the last person to say this, because I have sponsored some bills in the House of Commons nominating the auditors for the C.N.R.; but I am wondering if we should not have some introspection on some of the expenditures of the C.N.R. I do raise the point about it, are they right and everybody else wrong in North America, on passenger schedules. I rather like their idea that they can make a profit on passenger services, but are they making a profit?

**Senator Smith (Queens-Shelburne):** I think I may clear up on some of the information. It was always my understanding that the ferries referred to in this particular item are operated by the C.N.R. as the agent of the Department of Transport, that they have nothing to do with the general C.N.R. operations, except that they happen to have the personnel and



the skills to operate services like that. Otherwise, these ferries would have to be operated by the Department of Transport, marine departments, which are not set up to have a commercial venture. Am I right in my assumption?

**Mr. Cloutier:** You are right to that extent, senator, but of the \$21,245,100, the railway deficit, the C.N.R. railway system deficit takes up \$21 million.

**Senator Benidickson:** Am I right in assuming that, in addition to a deficit for the C.N.R., the estimates will include specific separate deficits for operations for facilities the C.N.R. simply manages, such as the Hudson Bay Railways and things like those which Senator Smith was talking about? And they are additional to this deficit we are talking about now?

**Mr. Cloutier:** No. The deficit of \$21,245,100 is made up of three items—the deficit of the C.N.R. systems, \$21 million—and this is estimated—and then the Newfoundland Ferry and Terminals, a deficit of \$1,159,000; and a deficit on the ferry between Yarmouth and Bar Harbour, \$101,300. These two ferry deficits amount to \$1,260,300. The deficit on the C.N.R. systems, which would include the items that you referred to, Senator Benidickson, amounts to \$21 million.

**Senator Benidickson:** What about the Hudson Bay Railway? Is that included?

**Mr. Cloutier:** To the extent that it forms part of the C.N.R. system, it would be included in that \$21 million.

**Senator Smith (Queens-Shelburne):** May I have the privilege of saying that, when I made my interruption a few minutes ago. I was confused in the reading of it. I had not even proceeded to the point where I saw the total. Otherwise, I would not have raised the point. All of the discussion was based on ferry operations and I thought we were concerning ourselves with that item. I now understand completely the point that Senator Benidickson has made. I think his point is a very good one. I would hope that there is some opportunity where some other kind of audit, by a Government auditor or within the Department of Transport, would enable the Auditor General to be sure that the accounting practices are such that the item we are considering now, relating to the C.N.R. sys-

tem, is a proper one for us to deal with when we come to the legislative aspect of this whole matter.

**Senator MacKenzie:** My question is on a different point, but I would like in passing to present a point of view, that what you might call the reliability of auditors is, in a sense, suggested as being different, as between Government and private auditors. I am interested in this, because frequently the reverse is claimed, that if the auditors are Government controlled auditors they are more likely to hide things than private auditors would. I am not an auditor or chartered accountant, so I have no vested interest. Leaving that, the question I want to put is that I understand this money is money within the budget 1967-68, and not 1968-69.

**The Chairman:** 1967-68.

**Senator MacKenzie:** And unless the supplementary Estimates are passed by someone in the fairly near future the problems of some of the departments will continue. I will give you an illustration. On page 20, there is one item, under the Secretary of State, referring to the Centennial Commission, of which I happen to be a director. We hope to be discharged—we hope perhaps not with a degree of honour, but not with disgrace, as of March 31. Are there ways of getting these supplementary Estimates approved in a vacuum, a governmental vacuum?

**Mr. Cloutier:** The answer to the question you raise, with respect to the Centennial Commission, is frankly, "no". The item that you referred to is "1c" under the Secretary of State. The objective of this Vote is to clean up the Centennial Commission, to wind it up and to give the mandate to the Secretary of State Department to carry on whatever has to be carried on, to clean up the bills and the copyright and so on and so forth. If this supplementary Estimate is not passed by Parliament, then this cannot be done and the Centennial Commission will simply continue to exist.

**Senator MacKenzie:** It might mean continuing the operation for another three months. I get no salary. I want to get rid of this.

**Senator Croll:** Mr. Cloutier, if a dollar is spent by the Government, it passes through your hands.

**Mr. Cloutier:** The authority for it, yes.



**Senator Croll:** And you know what it consists of, or the details as they are given. Some part of it comes under, for instance, Schedule A, and some part of it may be for a different reason. What I am interested in, and I am having a hard time getting, is having prepared for the committee, if it agrees, otherwise for myself, information which will tell us how much in subsidies we spend each year in our total expenditures and where those subsidies go. Is that clear?

**Mr. Cloutier:** I think, senator, that part of the answer to your question might be available in the spread sheet which is appended to the main Estimates book.

**The Chairman:** Do you mean in detail, Senator Croll?

**Senator Croll:** In total. I want to know if those pails for the men out in Maine are paid for and, if so, what it costs. Or, if we are paying railway subsidies, how much are we spending?

**Mr. Cloutier:** Mind you, this spread sheet reflects only the main Estimates. It would not include any amounts included in the supplementary Estimates.

**Senator Croll:** Does it reflect subsidies?

**Mr. Cloutier:** There is an item No. (20) directly under the word "Categories" in the title. This item is called "Contributions, Grants, Subsidies, etc., Not Included Elsewhere".

**Senator Croll:** Yes, but not included elsewhere.

**Mr. Cloutier:** Well, some of the "included-elsewheres" might be in the special categories, you see.

**The Chairman:** Do you include grants as well as subsidies, Senator Croll?

**Senator Croll:** No, a grant is not a subsidy. I used the term subsidy, not grant.

**The Chairman:** But, so far as I can see up to now, there is an aggregate sum including grants and subsidies.

**Mr. Cloutier:** This totals up to \$1,447,869,006.

**Senator Croll:** Have you got the 68 sheet there?

**Mr. Cloutier:** The 67-68 sheet, yes, sir.

**Senator Croll:** I brought down with me the 69 sheet.

**The Chairman:** Mr. Cloutier, would it be possible to supply the information to Senator Croll so far as subsidies are concerned?

**Mr. Cloutier:** Yes.

**Senator Croll:** Can you do that?

**Mr. Cloutier:** Yes.

**Senator Benidickson:** But can we get a definition of subsidy?

**Senator Croll:** Just a minute, senator, and I will just finish this point. I am not talking about grants or votes. I am talking about "subsidy" in the dictionary meaning of the word.

**Senator MacKenzie:** Does this include maintaining a ceiling?

**Senator Croll:** Yes. For example, on cheese. That is a subsidy. Yes, sure. That is what I want to know.

**The Chairman:** The witness has already indicated that the information can be supplied later on.

**Senator Croll:** Will you send it to me?

**Mr. Cloutier:** Yes, I will.

**Senator Benidickson:** Senator Croll, does subsidy involve some interference with the normal market place, where prices are different because of Government intervention?

**Senator Croll:** Sure.

**Senator Smith (Queens-Shelburne):** For instance, butter.

**The Chairman:** Go ahead, Mr. Cloutier.

**Mr. Cloutier:** Well, we will give you a list under various titles, senator, which will identify what the subsidy is for.

**Senator Croll:** Thank you very much.

**Senator Smith (Queens-Shelburne):** That list will appear on our record, I presume, Mr. Chairman.

**The Chairman:** Yes, and we can use it as an appendix to the report at the next meeting.

**Senator Benidickson:** Does that involve railways?



**Senator Croll:** It would involve everything.

**Senator Rattenbury:** Mr. Chairman, on page 23, coming back to the question of ferries, I notice there that it mentions the Newfoundland Ferry and Terminals, the Prince Edward Island Ferry and Terminals and so on. Now, the Prince Edward Island Ferry is one of the principal ferries of the C.N.R., and I am interested to know what the deficit is there in that operation. Is that information available? The reason for my request is that vast expenditures are contemplated in the building of a causeway to Prince Edward Island and I would like to be able to relate one cost to the other.

**Mr. Cloutier:** The main Estimates for 1967-68, senator, at page 527 show a deficit for the Prince Edward Island Ferry and Terminals of \$5,803,600.

**The Chairman:** Are you interested, Senator Rattenbury, in the expenses or costs on this project for the present fiscal year or do you have in mind obtaining the cost of the whole project?

**Senator Rattenbury:** I imagine the cost of the whole project is not known. But this item of \$5,800,000 roughly, in common with Government accounting, contains no item for depreciation, does it?

**Mr. Cloutier:** Oh, yes, that would be there. This is a Crown corporation and this is a deficit in the truest accounting sense.

**Senator Rattenbury:** They make allowances for depreciation in Crown corporation?

**Mr. Cloutier:** Yes.

**Senator Burchill:** That is just operating. There is no capital.

**Senator Rattenbury:** There is no capital?

**Mr. Cloutier:** No.

**The Chairman:** I have a question, Mr. Cloutier. You told us that these estimates are probably the last estimates we are going to have for the present fiscal year. Could you tell us if there is any new item listed in these estimates that was not included in the main Estimates?

**Mr. Cloutier:** I would say, Mr. Chairman, that in the main the items included in these estimates represent continuations of the same sort of things that appear in the main Estimates, with perhaps a few exceptions.

**Senator Benidickson:** You are talking now of new programs.

**Mr. Cloutier:** New endeavours.

**Senator Benidickson:** Which we should be told about.

**Mr. Cloutier:** Unlike the things that were included in the main Estimates. One item under "Industry", is a vote providing authority to guarantee loans. I am referring to Vote 30c. I will read the title:

Vote 30c—To provide for the insurance, on a shared risk basis with the lender, in the current and subsequent fiscal years, up to an aggregate amount of \$100,000,000 on such terms and conditions including the payment of such fees therefor as may be prescribed by the Governor in Council, of loans made before January 1, 1973, under the Adjustment Assistance Program related to the Kennedy Round Agreements, by private lenders approved by a board established under section 15 of the Department of Industry Act to manufacturers in Canada who, in the opinion of the said board,

(a) require such loans to restructure their operations but are unable to obtain sufficient financing on reasonable terms without the insurance; and

(b) either

(i) are or are likely to be seriously injured by an increase in imports attributable to the Kennedy Round tariff reductions, made by Canada, or

(ii) have significant export opportunities arising out of the Kennedy Round Agreements;

and for greater certainty to deem the insurance referred to above to be a guarantee for purposes of section 27 of the Financial Administration Act.

This is a new program announced by the Government some months ago. I believe there has been discussion on this program in the Senate as well. But it is a new item.

**The Chairman:** We have had two meetings so far on this.

**Senator Benidickson:** Just on that point, I am very glad that our chairman raised this question. I am very suspicious about dollar items. You say that this was given some publicity when announced as Government policy. Did they put a price tag on it for the coming fiscal year or anything like that?



**Mr. Cloutier:** This is a multi-part program. There is in the main Estimates for next year an amount—and I am talking from memory now—of \$1 million for consultant fees. This is comprised of grants to companies to help them acquire the expertise to make the necessary readjustment to their operations. But this item will not have a price tag on it, honourable senator, because the rate that will be charged to the company which is borrowing will include an insurance fee which is calculated to absorb any loss that might be incurred on this program.

**Senator Benidickson:** This is a realistic dollar, then?

**Mr. Cloutier:** Yes; the only reason this is in there is that you could not have an item in the Estimates without at least \$1. And for the Government to undertake this program and to provide this insurance—this guaranteed loan program—these loans will be made by the banks and the guarantee feature is support by the Government.

**The Chairman:** In other words Government is seeking here authority to do a certain thing.

**Senator Everett:** You say these loans are made by the banks, but it also says they are unable to obtain sufficient financing on reasonable terms, and here I am talking about the interest rate, and this would indicate intervention of the Government in the case of a Farm Loan Improvement Act loan to lower the rate.

**Mr. Cloutier:** You will have to bear with me because I do not know what the rates are. Let us assume the rate for a normal loan would be 6 per cent.

**Senator Benidickson:** It would be more than that; it would be 7 per cent.

**Mr. Cloutier:** Then the fee would be an additional one per cent.

**Senator Benidickson:** Which covers insurance?

**Mr. Cloutier:** Yes.

**Senator Everett:** The prime bank rate is 7 per cent and it is quite possible that they would want another one per cent.

**Mr. Cloutier:** What it says is that without insurance the bank would not touch the loan but with insurance the bank would presumably make the loan at its prime lending rate plus  $\frac{1}{2}$  of one or one per cent.

**Senator Everett:** There is no subsidization by the government of the rate?

**Senator MacKenzie:** I think in some cases the reverse is true and the rate paid to the bank in this kind of relationship is lower than the prime rate.

**Senator Everett:** I think it is true in the case of a farm loan. But I doubt if here it would be anything under the prime rate.

**Senator MacKenzie:** It is done on occasions, but it is done both ways.

**Senator Benidickson:** I don't think we should pass this figure of one measly dollar.

**The Chairman:** Senator Benidickson, the committee is not being asked to pass anything this morning. This is an information-seeking meeting. We do not approve anything this morning. The purpose of the meeting is to get some explanation and some information so that when this matter is in the house we will be able to deal with it more effectively.

**Senator Benidickson:** For my own personal information, I see here a vote of \$1. I have read about this and I thought this was a pretty serious proposition of trying to compensate on certain terms industries that were badly affected by the Kennedy Round of Tariff Negotiations across the world. When I see a dollar I don't like to be misled. As a member of Parliament I like to know what is involved in the end. Now you mentioned insurance; do you conscientiously believe that insurance—that the payments made by the industries that are to be given some form of help will balance and that they will only have a dollar loss?

**Mr. Cloutier:** The arrangement, as I understand it, senator, is that the insurance fee which is paid over and above the bank rate will be deposited in a fund from which the bad debts, if I might call them that, would be taken into account.

**Senator Benidickson:** If somebody has a claim and the claims in total perhaps will not exceed the premiums paid on this basis...

**Mr. Cloutier:** That's right. To the extent that the bad debts or the loss would exceed that amount, then the department would have to come back to Parliament and ask for further funds.

**Senator Benidickson:** So, they will come back. This \$1 item does not give them an open end?



**Mr. Cloutier:** No, this gives them authority for the scheme. To the extent that they don't experience a bad loss then everything is all right; but if they do, my understanding is that they will have to come back to Parliament and ask for more funds.

**Senator Benidickson:** For a specific amount?

**Mr. Cloutier:** Yes.

**Senator Everett:** Mr. Chairman, referring to another point, I would like to refer to page 27, Vote 7c—to authorize the Treasury Board to delete from the accounts certain debts due—and the amount given there is \$44,571. But it involves a write-off of \$19 million. The \$44,571 is simply to take an asset and write it off as an expenditure. That is understandable. But then in item (b) the amount involved is slightly more than \$19 million of accounts being written off by the government. I have a series of questions on this. The first question is; why does the write-off not appear here as a charge to revenue or as a charge to expenditure?

**Mr. Cloutier:** These items are simply bad debts, items that are uncollectible, and you will note that the bulk of them arise out of customs duties.

**Senator Everett:** But in normal accounting a bad debt is a charge to the expenditure side of the statement.

**Mr. Cloutier:** But in government accounting you cannot charge revenues against your expenditures unless you have parliamentary authority to do so.

**Senator Everett:** You charge it just as a loss of revenue?

**Mr. Cloutier:** It is a loss of potential revenue. The alternatives to this—you see there is \$16 million here in National Revenue (Taxation). I think it would be impossible to estimate the total ahead of time so that you would estimate the expenditures required by the department sufficiently high to take care of this.

**Senator Everett:** Yes; but you have chosen the item that interests me, the \$16,898,000 of National Revenue accounts receivable write-off which is under the Taxation Branch. Are there approximately 1,000 accounts that would indicate a tax write-off, and I assume this is income tax, of \$16,000 or \$17,000 which

would indicate a considerably higher income on which that tax is based? I would be very interested in some more facts as to how such a write-off can occur.

**Mr. Cloutier:** These would be taxpayers who are now deceased without an estate or who went bankrupt or taxpayers that were completely lost trace of. They are taxpayers that have disappeared, if you wish.

**Senator Everett:** That have disappeared?

**Mr. Cloutier:** Yes.

**Senator Everett:** Senator Smith (Queens-Shelburne) has just suggested I ask how many years these have been accumulating.

**Mr. Cloutier:** We could get you that information.

**Senator Everett:** Let me come at it another way. Is there any major amount—these are items over \$1,000—are there any items, say, over \$100,000?

**Mr. Cloutier:** Very quickly—there is one item here, Rock Holdings Ltd., for \$174,000. There is another item, Canam Investments Limited, \$1,025,000. There is an item Ian C. J. Coats, \$153,000. The estate of Peter Joseph Greene, \$952,000. Ber Fiszau, \$183,000. Charles I. Foley, \$178,000. Frank Pretula, \$115,000.

**Senator Everett:** Perhaps this is information I should not have, and I want to bother the Board as little as possible, but would it be possible to have some sketchy information on the amounts over \$100,000?

**Mr. Cloutier:** Yes.

**Senator Everett:** \$100,000 may be too low; it may be too much work?

**Mr. Cloutier:** No, there are not that many items. I think I have given you most of them, senator.

**Senator Everett:** I want more facts than you have given me so far.

**Mr. Cloutier:** I see.

**Senator Everett:** If I am in order asking for these facts, Mr. Chairman?

**The Chairman:** I am given to understand the witness will provide the information.

**Senator Everett:** I want to make it as easy as possible for the Board; I do not want a lot



of detail. I am wondering if \$100,000 is a reasonable limit, if those above \$100,000 are not going to cause too much work, because I would like to know, in each case, how it arose.

**Mr. Cloutier:** Why it became a bad debt?

**Senator Everett:** Yes, why Mr. Fisztauf, or whatever his name is. . . .

**Mr. Cloutier:** Yes.

**The Chairman:** You have already mentioned you would be interested in knowing if these bad claims are dated several years behind.

**Senator Everett:** I will have that, I assume, in the examples. There would be certain test cases that, maybe, would give all the answers I want.

**Mr. Cloutier:** We will provide you with that information.

**Senator Smith (Queens-Shelburne):** It seems to me, going back some years now, we have always brought up the question of these dollar items. I have glanced through these supplementaries, and I find there are 15 separate items. The only one mentioned this morning, a dollar item of any degree of importance—excepting the one we discussed a few minutes ago—is the one relating to Veterans Affairs. Are there any other items which can be said to have the effect of amending legislation? The assertion has always been added "by the back door". I do not quite agree with that.

**Mr. Cloutier:** Most of the dollar items listed here are shown as \$1 simply because the item had to be printed, because it was a grant or contribution or subsidy, all of which have to be printed in the Estimates. There are a few others.

**The Chairman:** In other words, Mr. Cloutier, the money is available?

**Mr. Cloutier:** Yes, the money is available in the existing Estimates, and all we need is authority to make the payments.

**Senator Smith (Queens-Shelburne):** If we can have those items which do have this result, with a short explanation of why we do it this way, it would be a good thing to have it.

**The Chairman:** If, by the device of a dollar item we are trying to get around legislation?

**Senator Smith (Queens-Shelburne):** In almost every case in the past, it is my opinion this is the most practical way of doing it, and anyone who suggests we should wait until this Parliament can get around to amending the Veterans Affairs Act to pay those pensions is just out of his head.

**Mr. Cloutier:** If I could draw your attention to page 12, there is a dollar item which is a bit different. It does not call for an expenditure because it is already covered in the vote in the main Estimates, but the vote in the main Estimates with reference to this provided for interim payments to be made to the Yukon Territory until such time as a financial agreement could be reached with the territory. Now details have been worked out between the federal and Yukon governments, and this vote seeks authority for the Minister of Finance to enter into this agreement formally.

It is a one-dollar item because, if my memory serves me aright, the main Estimates covered an amount of \$4,100,000 for this, and the agreement will result in payments a little lower than this.

The other is the Kennedy Round that we have discussed. I am skipping those for which funds are already available.

**The Chairman:** At page 14 we have Justice, Vote 1c, a contribution to Queen's University.

**Mr. Cloutier:** There again, the funds are available. It is just a question of listing the grant to Queen's University.

**Senator Smith (Queens-Shelburne):** I am only interested in those that can be construed as being a short route.

**Mr. Cloutier:** These are the ones I am talking to now, sir.

If we go on to page 26, Vote 110c—I will have to consult my notes, if you will bear with me a minute here. This relates to the construction of an overhead bridge over a C.P.R. branch line in Alberta. The work was done by the Alberta Department of Highways, and the arrangements were that this was repayable through the Railway Grade Crossing Fund.

**Senator Benidickson:** Is this the item on page 26?

**Mr. Cloutier:** That is correct.

**The Chairman:** Page 26, Vote 110c.



**Mr. Cloutier:** The Board of Transport Commissioners order authorizing the work was warranted was issued, but the grant was found later not to be within the statute because the bridge was built in 1956 and was not existing when the relevant subsection of the Railway Act came into effect in 1955. So, this is really legalizing the payment for the work that was done in good faith, that was warranted, but for which there was not a statutory base. This provides a statutory base for it.

Apart from that, there is the Veterans Affairs item, the funds were available—and that is it on the budgetary side.

There are a few items on the loans side. There is one in Atomic Energy of Canada Limited—

**The Chairman:** On what page is that?

**Mr. Cloutier:** At page 30, Vote L5c. The Douglas Point Generating Station was expected to be in operation before April 1 and it was expected that revenues arising from it would be sufficient to carry the maintenance, and so on, in the new year. However, there have been delays in construction and it is now estimated, I think, it will not be in operation until June or July. I will have to verify the date, but the principle is this, that the amounts already provided or the previous loan authority in the Main Estimates would be sufficient to carry until such time as the project is completed and revenues can be utilized to carry the project.

The item in Northern Affairs, on page 31, Vote L45c is related to the same thing, that is, the same financial agreement I was referring to earlier. This extends the earlier vote simply because the details of the agreement could not be worked out in time and payment under the previous loan authority, which I think was for \$5 million, is not expected to be made before March 31. Under this one-dollar item the actual pay-out could take place after April.

Central Mortgage—this was referred to, I think, earlier by Senator Grosart. This increases by \$375 million the aggregate amount which may be advanced for housing. This is consistent with past practices where a similar course of action was resorted to earlier, and last time was on Supplementary Estimate (B), where an amount of \$225 million was provided for housing through this.

**Senator Benidickson:** A dollar item?

**Mr. Cloutier:** A dollar item. I forget what the original Housing Act specified as the total which might be made available. That has been supplemented over the years through dollar items on the loan side to the extent that now, I think, the total permissible is \$4,600,000,000.

**Senator Burchill:** I wanted to ask one question on the matter to which Senator Everett referred on page 27.

**Senator Benidickson:** I also wanted to refer to that.

**Senator Burchill:** My question concerns these receivables that are being written off. Is that an annual performance?

**Mr. Cloutier:** This is annual, sir.

**Senator Burchill:** Each year?

**Mr. Cloutier:** Yes.

**The Chairman:** It is always in the supplementaries.

**Mr. Cloutier:** It is always in the supplementary Estimates. This is cleaning up the supplements, writing off bad debts, as in a firm.

**Senator Burchill:** But it is every year.

**Senator Smith (Queens-Shelburne):** On the same subject, how much was the total item last year?

**Mr. Cloutier:** Last year?

**The Chairman:** We will provide that information.

**Senator Benidickson:** It is \$17 million this year.

**Mr. Cloutier:** About the same, \$15,133,000.

**Senator Benidickson:** Referring to page 27, the Treasury Board, I am glad Senator Everett raised this point. When you get a large amount of \$19 million in small print and in the right hand column a very small amount of \$44,000, how does this affect the budget figures?

**Mr. Cloutier:** The \$19 million is an item which was only taken into revenue because we are operating on a cash basis. This was kept in the receivables, so it never affected the revenue side of the budget account nor the expenditure side because it was never received. The (b) part of the small print represents all items which never affected the

budgetary account, and this is authority to write it off. The \$44,000 does represent something that has to be written off as a charge to expenditure, and it arose in the Department of Indian Affairs and Northern Resources.

**Senator Benidickson:** Then in answer to Senator Everett you were going to explain what might be a forgiving of taxation or no opportunity to recover.

**Mr. Cloutier:** That is right.

**Senator Benidickson:** And over a certain amount you are going to give us details of that \$15 million.

**Mr. Cloutier:** That is right.

**Senator Everett:** Mr. Chairman, this is the last question I have and I will be very brief. On page 31, under the heading "Industry", we see "Loans under the Pharmaceutical Industry Development Assistance program", an amount of \$2 million, with an explanation of what those loans are. Could you tell me if that is a revolving fund?

**Mr. Cloutier:** No, sir.

**Senator Everett:** It is not?

**Mr. Cloutier:** It is not a revolving fund. This \$2 million will be expended in amounts up to \$2 million.

**Senator Everett:** If the department fails to spend that \$2 million will it go back to the Consolidated Revenue Fund?

**Mr. Cloutier:** It never leaves the Consolidated Revenue Fund until it is expended.

**Senator Everett:** Yes, I am sorry. In any event, you are not setting up a revolving fund?

**Mr. Cloutier:** No, sir.

**Senator Everett:** In certain of these items we are.

**Mr. Cloutier:** When you are the wording is very specific that you are.

**Senator Everett:** Thank you.

**Mr. Cloutier:** For instance, if you go to the top of that page under "External Affairs" the vote is "To increase . . . the amount that may be charged", which is a revolving fund.

**Senator Everett:** Yes, and the item for R.C.M.P. clothing.

**Mr. Cloutier:** Exactly.

**Senator Everett:** I see that. I suppose I will have to check with the Department of Industry to find out how successful it has been. The Treasury Board would not be aware of that.

**Mr. Cloutier:** This program?

**Senator Everett:** Yes.

**Mr. Cloutier:** It cannot get off the ground until the supplementary Estimate is voted.

**Senator Everett:** But is this not a program which has been going on for some time?

**Mr. Cloutier:** Not the loan side of it.

**Senator Benidickson:** This is new under this Pharmaceutical Industry Development Assistance Program.

**Mr. Cloutier:** That is right. That is one of the new ones.

**The Chairman:** I have only one question left, Mr. Cloutier. There is no item here covering Expo.

**Mr. Cloutier:** No, sir.

**The Chairman:** Is there any reason why not? Is it because the arrangements have never been finalized yet?

**Mr. Cloutier:** That is my understanding, sir.

**The Chairman:** Are there any other questions?

**Senator Benidickson:** Will that deficit for Expo go into the 1968-69 figures?

**Mr. Cloutier:** To my knowledge the Cabinet has not considered this yet.

**The Chairman:** Honourable senators, if there are no other questions, on your behalf I wish to thank Mr. Cloutier and Mr. Glashan for their informative presentation and also for all the answers they have provided to your questions. I think we have had a very good meeting this morning. I thank you all.

The committee adjourned.







Second Session—Twenty-seventh Parliament

1967-68

# THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

## FINANCE

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The Honourable J.-P. DESCHATELETS, P.C., *Chairman*

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No. 8

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*First Proceedings on The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1969.

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THURSDAY, MARCH 7th, 1968

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WITNESSES:

*Treasury Board:* Sylvain Cloutier, Assistant Secretary; J. G. Glashan,  
Director, Estimates and Supply Procedures Division.

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APPENDIX:

Taxation *write-offs* as proposed in Supplementary Estimates "C"  
Treasury Board Vote 7c.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1968





Second Session—Twenty-seventh Parliament

1957-58

THE STANDING COMMITTEE ON FINANCE

The Honourable J.-P. Deschatelets, P.C., *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Aird  
 Aseltine  
 Beaubien (*Bedford*)  
 Beaubien (*Provencher*)  
 Bélisle  
 Benidickson  
 Burchill  
 Choquette  
 Connolly (*Halifax North*)  
 Croll  
 Denis  
 Deschatelets  
 Desruisseaux  
 Dessureault  
 Everett  
 Farris  
 Gélinas  
 Gershaw  
 Grosart  
 Haig  
 Hayden  
 Hays  
 Isnor

Kinley  
 Leonard  
 MacKenzie  
 McCutcheon  
 Méthot  
 Molson  
 O'Leary (*Antigonish-Guysborough*)  
 Paterson  
 Pearson  
 Phillips  
 Pouliot  
 Power  
 Quart  
 Rattenbury  
 Roebuck  
 Savoie  
 Smith (*Queens-Shelburne*)  
 Thorvaldson  
 Vaillancourt  
 Vien  
 Welch  
 Yuzyk—(46).

*Ex officio members: Connolly (Ottawa West) and Flynn.*

WITNESSES:

Treasury Board: Sylvain Cloutier, Assistant Secretary; J. G. Gieshan,  
 Director, Estimates and Supply Procedures Division.

APPENDIX:

Taxation write-offs as proposed in Supplementary Estimates "C"  
 Treasury Board Vote 7c.

## ORDERS OF REFERENCE

1. Extract from the Minutes of the Proceedings of the Senate, Wednesday, May 16th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator McDonald:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1966; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

2. Extract from the Minutes of the Proceedings of the Senate, Thursday, June 29th, 1967:

“With leave of the Senate,

The Honourable Senator Deschatelets, P.C., moved, seconded by the Honourable Senator Leonard:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (A) laid before Parliament for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (A) and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

3. Extract from the Minutes of the Proceedings of the Senate, Tuesday, October 31st, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1968; and



That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates (B) and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

4. Extract from the Minutes of the Proceedings of the Senate, Wednesday, December 6th, 1967:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Deschatelets, P.C.:

That the Standing Committee on Finance be authorized to examine and report upon the Canada Tariff Concessions agreed in the Kennedy Round Negotiations under the General Agreement on Tariffs and Trade, tabled in the Senate on 31st October, 1967; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Canada Tariff Concessions and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

5. Extract from the Minutes of the Proceedings of the Senate, Wednesday, January 24th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the Public Accounts of Canada, Volumes I, II and III, for the fiscal year ended the 31st March, 1967, tabled in the Senate on 22nd January, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Public Accounts of Canada and to sit during sittings and adjournments of the Senate.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative.”

J. F. MACNEILL,  
*Clerk of the Senate.*

6. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1969, in advance of the Bills based on the said Estimates reaching the Senate; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

7. Extract from the Minutes of the Proceedings of the Senate, Tuesday, February 13th, 1968:

“With leave of the Senate,

The Honourable Senator Connolly, P.C., moved, seconded by the Honourable Senator Roebuck:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Supplementary Estimates (C) for the fiscal year ending 31st March, 1968; and

That the Committee be empowered to send for persons, papers and records, to print its proceedings upon the said Supplementary Estimates and to sit during sittings and adjournments of the Senate.

The question being put on the motion, it was—  
Resolved in the affirmative.”

ROBERT FORTIER,  
*Clerk of the Senate.*





## MINUTES OF PROCEEDINGS

THURSDAY, March 7th, 1968.

(8)

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 11.30 a.m.

*Present:* The Honourable Senators Deschatelets (*Chairman*), Croll, Denis, Desruisseaux, Grosart, Leonard, O'Leary (*Antigonish-Guysborough*), Pouliot, Rattenbury, Roebuck and Vaillancourt. (11).

The Estimates laid before Parliament for the fiscal year ending 31st March, 1969, were considered.

It was *agreed* that several proposals put forth this day be referred to the Steering Committee for study and possible action.

Witnesses:

*Treasury Board:*

Sylvain Cloutier, Assistant Secretary.

J. G. Glashan, Director, Estimates and Supply Procedures.

The Chairman, on behalf of the Committee, thanked the witnesses for appearing before it.

At 12.45 p.m. the Committee adjourned to the call of the Chairman.

Attest.

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE

### STANDING COMMITTEE ON FINANCE

#### EVIDENCE

Ottawa, Thursday, March 7, 1968

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1969, met this day at 11.30 a.m.

**Senator Jean-Paul Deschatelets (Chairman)** in the Chair.

**The Chairman:** Honourable senators, we have a quorum and I therefore call this meeting to order.

As honourable senators know, the Estimates for the financial year terminating March 31, 1969 have been referred to us for examination, and we have been asked to deal with them. This, of course, is the Blue Book.

I understand that this morning you would like at the outset to have from Mr. Sylvain Cloutier a broad outline of what is the picture as far as the proposed expenditures are concerned. It is understood that these Estimates will remain before this committee for further examination and, unless I am wrong—Senator Leonard can correct me—they will remain before us until the end of 1969.

**Senator Leonard:** Unless we are prepared to make a report at some time or other that we are satisfied with them all; otherwise we could take the whole year and study this.

**Senator Grosart:** Or that we are not satisfied.

**Senator Leonard:** Yes, or that we are not satisfied.

**The Chairman:** Honourable senators, this morning we have the pleasure to have with us Mr. Sylvain Cloutier, the Assistant Secretary of the Treasury Board, and also Mr. J. G. Glashan, Director of the Estimates and Supply Procedures Division.

I am going to ask Mr. Cloutier to give us an outline of these expenditures for the year

terminating March 31, 1969. I am just wondering if honourable senators have in front of them the Blue Book.

**Senator Croll:** Mr. Chairman, there were some questions asked at the last meeting and Mr. Cloutier was to bring us some answers. They may not be prepared, and we can understand that.

**Mr. S. Cloutier, Assistant Secretary, Treasury Board:** I have one of the answers ready, honourable senator. It relates to the question put by Senator Everett concerning details of major taxation write-offs.

**The Chairman:** This is quite an extensive report.

**Senator Croll:** Include it in the record.

**The Chairman:** Is it agreed that we incorporate it in the record of today's proceedings?

**Hon. Senators:** Agreed.

**The Chairman:** This is of interest, of course, not only to Senator Everett but to all senators. It includes details for each write-off in excess of \$200,000.

*(For text of answer, see Appendix)*

**Senator Croll:** You will remember I asked a question, too.

**Mr. Cloutier:** Yes.

**Senator Croll:** Are you getting your answer ready?

**Mr. Cloutier:** We are preparing it, and we will send it to you as soon as it is ready.

**Senator Leonard:** Mr. Chairman, I just want to make a suggestion for the consideration of the Chairman and the steering committee, and that is that at an appropriate time, at some future meeting, we might consider dealing with some of the questions raised in the chamber itself. For example,



last night there was a question raised about policy with respect to the distribution of documents by the Government Printing Bureau. No matter what answer may come from the Leader of the Government, it may well be it is a matter on which it would be as well to have an official appear before the committee. I think this is the appropriate committee.

Then there is the question of Senator Fournier (Madawaska-Restigouche) with respect to hotel accommodation in Montreal during Expo. Again, no matter what answers may be placed before the Senate, this might well be a matter for the consideration of the committee too.

**The Chairman:** This, if I am right, is one of the findings in the Auditor General's Report.

**Senator Leonard:** This is from the Auditor General's Report. I am not saying these should be studied. I just bring them to your attention with the thought that the committee does afford a forum in which such matters can be dealt with. Honourable senators may, in addition, ask whatever questions they wish in the house. There is the question of Senator Argue dealing with the construction of a railway line to Great Slave Lake. I raise those matters for your consideration.

**The Chairman:** I thank you, Senator Leonard, for these suggestions, and I am glad that they are now on record. I imagine the best way of dealing with them would be to have a meeting of the steering committee as soon as possible.

**Senator Leonard:** That is quite satisfactory.

**Senator Grosart:** May I make one further suggestion for the steering committee's consideration?

**The Chairman:** Yes, Senator Grosart.

**Senator Grosart:** It has been suggested from time to time that we should start to examine carefully one department, and in this respect we had the blessing of Dr. Davidson when he was functioning. This would be a useful job for this committee to do. When Senator Leonard was chairman of this committee I presented that suggestion for consideration. Personally I think it would be very useful for this committee to examine in detail a single department in relation to the new policy of project estimating, and so on.

**The Chairman:** Do you have any particular department in mind, senator?

**Senator Grosart:** No, I think that that should be up to the steering committee. I would not like it to be the Department of Trade and Commerce. If it were, we would be here all year. I am thinking of a smaller department like the Department of the Secretary of State. That would be an interesting one, for example, because many questions arise in connection with the C.B.C. The Queen's Printer is under the Department of Defence Production, I think. Whatever department the Steering Committee selects will be satisfactory to me. That would start us on a detailed examination of the estimates of one department, and we might make some useful discoveries.

**The Chairman:** Thank you, Senator Grosart. This will be added to the list to be submitted to the steering committee. Are there any other remarks before we proceed? If not, I shall ask Mr. Cloutier to give us a broad outline of the expenditures.

**Mr. Cloutier:** Mr. Chairman and honourable senators, as an opening remark perhaps I should refer to the announcement that was made yesterday in the House by the Minister of Finance in which he indicated that the budgetary expenditures for the year 1968-69 would be reduced by \$75 million or more. This will imply a printing of a revised Blue Book. I just wanted to make this point by way of explanation that the comments I will be making on the Estimates that are before the committee now relate to those Estimates that were tabled on February 12.

At that time, in keeping with the announcement made by the Government last December that expenditures for 1968-69 would be held to \$10,300,000,000, the budgetary expenditures provided for in the main Estimates total to \$10,284,732,000. This includes amounts already authorized by continuing statutory authority for a total amount of \$4,460,000,000, and it also includes other items totaling about \$5,825,000,000, for which Parliament is being asked to vote the necessary annual appropriations.

For purposes of comparison the total of all estimates, including the main, the supplementaries, and the final supplementaries, submitted for the year 1967-68 is \$9,927,700,000, of which \$4,144,000,000 is provided by continuing statutory authority, and \$5,783,000,000 requires specific approval by way of parliamentary appropriation.



The increase in the main Estimates requirements for 1968-69 over the total Estimates submitted for 1967-68 is, therefore, in the order of \$357 million. Most of this—that is about \$315 million—relates to programs for which statutory authority has already been granted. The balance of the increase, amounting to \$42 million, requires to be specifically voted by Parliament.

Now, the foregoing amounts relating to budgetary expenditures do not include loans, investments and advances on the non-budgetary account for which parliamentary approval is already being sought in the amount of \$484,900,000 in the main Estimates for 1968-69. The corresponding amount for the previous year was \$651 million.

Likewise, the budgetary expenditures that I have just mentioned do not include the forecast expenditures for old age security payments. These payments amounting to an estimated \$1,581,000,000 in 1968-69 as compared to \$1,432,000,000 for last year, are carried separately from the budgetary expenditures provided for the main Estimates as a statutory charge against the old age security fund to which is credited the special tax levied for this purpose.

As in the main Estimates for last year every effort has been made to include in the main Estimates for the coming year all known requirements, including those that in the past were usually presented in supplementary Estimates. As honourable senators will recall, at the last meeting of the committee before which I was a witness I was directing attention to an item in the Department of Agriculture where in the previous year a provision had been made for \$100 million for the Agricultural Stabilization Fund, and \$40 million-odd was being provided for in the supplementary Estimates before the committee then. In 1968-69 the provision is in the order of \$140 million. The expectation, as I mentioned earlier, is that the total expenditures will be of the order of \$10.3 billion.

The bulk of the increase of \$357 million in the Estimates tabled over last year is made up of increases in items covered by statutory authority. These major increases are the following: \$133 million for interest on public debt; \$91 million for hospital insurance payments, \$58 million for payments to the provinces under the British North America Act and the Fiscal Arrangements Act; \$45 million for Canada Assistance Plan payments; \$30 million—these are all increases over the pre-

vious year—for post-secondary education payments; \$29 million for contributions to superannuation accounts and other pension payments; and, finally, an increase of \$10 million in the Health Resources Fund.

The net increase in the non-statutory area—that is, programs the requirements of which must be voted annually, and which cover by and large the administration and capital requirements of the Public Service—has been held to a net amount of \$42 million for 1968-69.

After, of course, taking into account the final supplementary Estimates that were tabled for 1967-68 early in February, the major non-statutory increases are \$47 million for the Post Office; \$29 million for the National Research Council and Atomic Energy; \$23 million for the Department of Indian Affairs and Northern Development; \$13 million for the Department of Veterans Affairs, and \$11 million for the External Aid program. Decreases in the amounts to be voted, again after taking into consideration the final Supplementary Estimates for 1967-68, will be found for the Department of Transport \$48 million, the Department of National Defence \$23 million, the Centennial Commission \$34 million, and the Department of Trade and Commerce \$16 million.

This, honourable senators, is a very rapid overview of the main Estimates as they are now before Parliament. I would be pleased to attempt to answer any questions you might want to put to me, but perhaps you will allow me to say at this point that I do now profess to have a deep and all-consuming knowledge of what all the departments are providing for. Indeed, it might be more profitable for this committee to call departmental representatives to answer more specific and detailed questions.

**The Chairman:** Thank you, Mr. Cloutier. Any questions?

**Senator Leonard:** I wonder whether Mr. Cloutier would like to say something about the employment figures.

**Mr. Cloutier:** Yes. I might draw your attention to a table appearing on pages 601, 602, 603 and 604 of the Blue Book. Honourable senators will recall that early last fall the Government indicated that while original forecast requirements indicated by the departments last summer showed a need for 16,000 additional positions, it had decided that the growth of the Public Service then would be



contained to a maximum of 5,000, which was less than a two per cent growth. Reference to the table I have alluded to will indicate that the establishment approved for 1968-69 in departments totals 246,000 compared with the approved establishments in departments for the previous year of 243,500 positions. Therefore, the indicated increase in the departments would be only in the order of 2,500. To this, though, must be added certain figures relating to some of the crown corporations whose establishments are subject to detailed control by the Treasury Board, and the net increase is in the order of 3,500. In effect the goal, if you wish, or the ceiling, of 5,000 has been bettered by an amount of 1,500.

I must emphasize that I am talking to the main Estimates as tabled on February 12, and I say this in view again of the statement by the Minister of Finance yesterday in the house in which he indicated that there would be a freeze on total numbers employed in the Public Service. The freeze which was announced yesterday will mean this. Indeed, there is an instruction being issued to departments to this effect, which hopefully will go out this afternoon and be in departmental hands tomorrow. It means that the Government will expect departments to contain their total staffs to the level of those staffs on March 1, except that to the number of actual staff on strength on March 1 would be added the number of firm offers of employment made by the Public Service Commission to individuals before yesterday, March 6. In other words, the Government will honour outstanding commitments. That will then constitute the ceiling for all departments.

Of course it is impossible at this stage to say with any degree of precision what the overall ceiling would be. Again reference to the table on 604 will show that in 1967-68 the total establishment in departments was in the order of 243,000 and as of October 1 the strength was 224,000, thereby indicating a vacancy pattern of some 20,000 positions, or roughly ten per cent. If we were to apply the same vacancy pattern to the establishment indicated for 1968-69 I would say, again very roughly, that the employment in the Public Service will be maintained at between 220,000 and 225,000. This will be the effect of the announcement made in the house yesterday afternoon.

**Senator Leonard:** Following up my question, to clarify my own mind I should like to

add this. It seems to me that at the bottom of page 605 the establishment for 1968-69 is shown at 269,644 compared with the establishment in 1967-68 of 273,206, a decrease of 3,600 man-years. From what you said I would have thought it was an increase.

**Mr. Cloutier:** There is an increase, senator. Perhaps I could draw your attention to the fact that the table you refer to relates to crown corporations and other instrumentalities, among which is listed the Canadian Corporation for the 1967 World Exhibition with a total of 5,700 employees. Those will not be employees in 1968-69.

The other thing to which I should like to draw attention is that some of these crown corporations enjoy a wider degree of freedom in relation to establishment and personnel matters than do ordinary departments of the Government. Indeed, these figures are printed in the Blue Book at the request of the Public Accounts Committee, but they do not indicate, say, effective control on the part of the executive.

**Senator Rattenbury:** Does this include temporary employees such as university students?

**Mr. Cloutier:** Yes, sir. I am glad you have raised that point because the answer I gave in relation to the freeze was only half the picture. Before going on to that, perhaps I should say that the figures quoted on page 604 are not position numbers; they are man-year numbers. Indeed, casual or part time employment is reduced to a man-year figure. This is the actual strength of such employees on March 1, adjusted to offers of employment as of March 6. Because of the variations in the amount of casual and part time employment the directive going out to departments will say that for the six months beginning March 1 they will be allowed to employ up to but not more than the total casual and part time employees or assistance that they utilized in the six months previous to March 1.

**The Chairman:** Who is going to make those instructions?

**Mr. Cloutier:** The Treasury Board is issuing those instructions. So, in effect, we are maintaining the status quo.

I should go on to say that we fully intend to temper the administration of this freeze with good common sense and that, for instance, to use a very evident example, if a lighthouse happened to be unmanned and will



have to be unmanned because of the application of this rule, we will break the rule and man the lighthouse. There is provision for relief when there is an obvious requirement to provide an essential service, and we want to avoid irreparable damage.

**Senator Grosart:** Is there a reduction in the current Estimates, in the total number of votes?

**Mr. Cloutier:** They are probably about the same, senator.

**Senator Grosart:** The reason I ask this question is that we have been told in this committee that there was a policy arising out of the recommendations of the Glassco Commission Report, that there would be a reduction in the total number of votes. I may say I am opposed to this myself. I think the more votes the better opportunity to examine the expenditures in detail.

**Mr. Cloutier:** If you would allow me a comment on this, senator, as you know, the Glassco Commission made recommendations on this subject. The Public Accounts Committee also on some occasions has requested that more information, more useful information be provided in the Estimates. In response to these requests or requirements, the staff of the Board are delighted to see the Public Accounts Committee has been called together and we are very anxious to put to that committee some proposals that it has asked us to prepare, which would have the effect of making the Estimates, the Blue Book, a more informative document. In some respects, that would mean adding considerably to the information that is provided, in order to make it a more intelligent piece of paper. I suppose it would also decrease the need for members and senators to all on witnesses to seek the details of what is behind these figures.

**Senator Grosart:** Would you explain the change in special categories between the last Blue Book and the present Blue Book?

**Mr. Cloutier:** I am afraid I will have to give you an incomplete answer on this, because I have not got the technical knowledge necessary to give you the answer. Perhaps I could say that the attempt was made to rationalize further the breakdown of expenditures into the "standard objects of expenditure"—to bring together like things and to decrease the number from, I think, 34 to about 12.

The idea here, sir, is to facilitate expenditure analysis or economic analysis of what is in the Estimates. It is tied in with the requirement to bring our whole approach to expenditure analysis up to 1968 and to use computers and data processing techniques.

In effect, we are caught in a squeeze here. As you will appreciate, this was a tremendous administrative problem, to have changed the coding of all expenditures. We have gone forward and developed instructions to departments and we have done the necessary training and instruction. But of course we could not really change the presentation of the substantial information in the Blue Book without the concurrence of Parliament. This is why you have the halfway situation, if you wish, that we have used the same old line entries, the same old line titles, but have had to change the numbers, the coding assigned to those line items, just to keep some cohesion in the system.

If the Public Accounts Committee had been in existence last year, we would have hoped to have that resolved before the printing of these Estimates.

**Senator Grosart:** It is largely an accounting change?

**Mr. Cloutier:** That is all it is.

**Senator Grosart:** My third question is: Has any progress been made in breaking down Loans, Investments and Advances, so that these various items under this catch-all clause will be clearly defined, as to whether they are loans, investments or advances, having respect to the instruments under which they have come into effect?

**Mr. Cloutier:** In the new form of the Estimates, as we would envisage it, we would not have a section at the end of the book where these loans and investments are listed one after the other. We would prefer to show them in each department in relation to the programs to which they are related. There again, the intelligence of their purpose would be more obvious.

**Senator Grosart:** Would you think it desirable to describe them more exactly—this is a loan, this is an investment, this is an advance?

**Mr. Cloutier:** By integrating them into the departmental setting, we would accomplish that purpose, sir.



**Senator Grosart:** I have another question. I am concerned that the Financial Administration Act—which is the basic act controlling the main Estimates—is set aside so casually and so often in supplementary Estimates. We are always coming up against this phrase: “Notwithstanding anything in the Financial Administration Act.”

To simplify my question, is there anywhere a statement, a document which would give anybody who wished to inquire, the information as to what amendments have been made to the Financial Administration, in supplementary Estimates?

**Mr. Cloutier:** I am informed that the inclusion of a phrase “notwithstanding anything in the Financial Administration Act” does not have the effect of amending the Act but merely on a very specific and *ad hoc* basis setting aside, with respect to a given transaction, one of the general conditions included in the Financial Administration Act.

**Senator Grosart:** I do not want to argue whether it is technically an amendment, but you use the phrase “setting aside” which is even stronger. You set aside an act. My point is that, if I read the Financial Administration Act and I say “this applies here”, then I find it does not apply in probably 30 or 40 items in the course of the year.

Is there a list, is this consolidated anywhere? Do we know to what extent the act has been set aside, in view of the fact that this is the most important single act, in my opinion, in controlling the Estimates and expenditures of public money. I say it is set aside casually. This is what concerns me.

**Mr. Cloutier:** Well—

**Senator Grosart:** I am not saying it is not necessary. I am not saying that these are not emergencies. I am not arguing that point. I am merely saying do you report to anybody? Do you say, “All right, the Financial Administration Act is not what you read in the office consolidation. It is something quite different. It is subject to all of these ‘notwithstanding’s’.” They may be *ad hoc*. They may be temporary. But they are still setting aside the basic control act.

**Mr. Cloutier:** I should point out that the short answer to your question is that I am not aware of the existence of any such document. However, I should want to go on and say that the phrase, “whatever it is,” is not used lightly. The wording of every vote that appears in

any estimate is arrived at following consultation with the solicitor of the treasury so that I would want to make it very clear that there is nothing cavalier about this, you know. The other thing I would like to say is that it is not the executive that is setting aside a specific condition in relation to a specific commitment or specific transaction. It is Parliament.

**Senator Grosart:** I agree.

**Mr. Cloutier:** You know the Appropriation Act is just as much a statute as the Financial Administration Act, and, indeed, the transactions that are provided for under the supplementary Estimates or main Estimates cannot take place unless the authority required by the wording is provided by Parliament. Just one final comment on your remark, senator. I think you have said that supplementary Estimates are used to set aside the Financial Administration Act. I would point out that this is done even in the main Estimates.

**Senator Grosart:** Yes. I agree with that. The further point on this particular subject is do these amendments, or “setting asides,” appear in the office consolidation of these acts?

**Mr. Cloutier:** No, sir.

**Senator Grosart:** Well, makes my point. They do not appear in the office consolidation. So a lawyer or a layman looking at the office consolidation does not have the complete act. You say it is not done in a cavalier fashion. I agree. But I think it is done casually. However, that is only a matter of opinion.

**Mr. Cloutier:** I should have used that word.

**Senator Grosart:** The point is that here you make these changes in the acts and that is why I use the word “casual”. Nobody thinks it is even important enough to put them in the office consolidation.

**Senator Leonard:** It is not so much, Mr. Cloutier, a change in the act as it is some particular transaction that is exempted. That particular transaction may be a vote for a particular item, and notwithstanding the requirements of the Financial Administration Act this item is put through in the Estimates, either supplementary or main and that is why committees are established. So that the act does not change, but this particular transaction must be looked at as being a change from the rules applied to the normal transactions under the act. Is that not the situation?



**Mr. Cloutier:** This, I would say, describes the situation very well.

**Senator Grosart:** One comment and I will pass. This may not be a full explanation, but let us take one example. I forget the particular act at the moment, but under an act the Newfoundland firefighting people were in the First World War included in certain benefits. Now, this is not just an *ad hoc* change. This means that forever the members of that force and their dependents are eligible under that act. This is not just as casual as Senator Leonard suggests. This is a complete amendment to the act and it appeared in the supplementary Estimates. How does anybody know that these people in Newfoundland are entitled to the benefits of that act if it is not put into the office consolidation?

**Senator Leonard:** Are you not talking about a different act from the Financial Administration Act?

**Senator Grosart:** In this particular case, yes.

**Senator Leonard:** Well, that is another matter.

**Senator Grosart:** "Notwithstanding the Financial Administration Act" is just one of a general group. I have spoken on the others and I am not going to go into that now, but this is an example of an amendment.

**Mr. Cloutier:** I am no lawyer, but I will try to answer that question. I would think, and I stand to be corrected, that if such an amendment as the one you were referring to were provided in the Estimates, the authority would be non-lapsing and would be specified as such in the Estimate item, and I would guess that that would be picked up by the Statutes Revision Commission.

**Senator Croll:** The first time that they came to an amendment, yes.

**Mr. Cloutier:** I would think so.

**Senator Grosart:** How often does that take place?

**Mr. Cloutier:** I do not think there is any specific period of time.

**Senator Grosart:** Once every 10 years?

**Senator Croll:** No. I will tell you what happens. You hit a point that is a real one. That actually happened. What they do is that the first time they make amendments to the act,

for instance, the Veterans Act, for whatever reason, they will bring that in at that time and say that that confirms what was done at another time. That could happen in a year or two but they always do that.

**Mr. Cloutier:** That is a very good example. You remember that in the supplementary Estimates we changed the schedules in the veterans' benefits, and this would be picked up.

**Senator Grosart:** In that particular case you called it an amendment to the act. It was an amendment to the schedule, but it was called an amendment to the act. Senator Croll raised a question that perhaps it should have been called an amendment to the schedule and not to the act.

**Senator Desruisseaux:** Mr. Chairman, some of my questions have been answered, but I would like to ask Mr. Cloutier whether in the freezing of the personal the armed forces are being entered into these quotas.

**Mr. Cloutier:** The statement made by the Minister of Finance yesterday does not technically apply to the armed forces for the reason, really, that, in preparing these estimates that are before the committee now for the Department of National Defence, in order to contain the expenditures of the department to the amount printed in the Blue Book for next year, the department, and indeed the Government, had to take the decision to reduce the average strength in the military ranks from 107,000—I think that is the figure—as of September 1, 1967 to 100,000 next year. So that in effect the armed forces are already being compressed by something like 7 per cent and it did not seem feasible at this stage to go further.

**Senator Croll:** What other exceptions were there?

**Mr. Cloutier:** Of course the crown corporations, as I have indicated, but as of today there are no other exceptions that I know of.

**Senator Croll:** Except for the armed forces.

**Mr. Cloutier:** The armed forces and the crown corporations, yes.

**Senator Desruisseaux:** If there is nothing further on this point, how about the C.B.C. personnel?

**Mr. Cloutier:** The C.B.C. is a proprietary crown corporation which does not come under



the control of the Treasury Board for purposes of establishment. On the other hand, I expect that the directive that is being addressed to the departments will be sent to the heads of these agencies with an admonition—not an admonition, but a strong suggestion. Even the word “strong” is perhaps too strong.

**Senator Croll:** You do not have to make it very strong to George Davidson. That is what he has been preaching to us for years.

**Mr. Cloutier:** I would like him to still have it.

**The Chairman:** The C.B.C. in this case is a bad example, because Dr. Davidson is there.

**Senator Croll:** He is a good example.

**The Chairman:** Oh, yes, this is very good so far as these instructions or suggestions are to be implemented, because I would say that with Dr. Davidson there is no problem since he knows the importance of the problem. But I think this is a very good question, Senator Desruisseaux, because I think we are all concerned with this. We would be at a loss to understand that a very important policy of the Government could not be implemented by the crown agencies and, personally, I would think that the terms of the suggestions should be as strong as they could be.

**Senator Desruisseaux:** Yes, I would be curious and furthermore, Mr. Cloutier, and this is another question arising from that first point, in the past there might have been suggestions made of this sort to the C.B.C. for all I know and I am asking whether there was.

**Mr. Cloutier:** I am afraid I wouldn't know.

**Senator Croll:** I have a comment. Mr. Cloutier, and if you can't answer it don't answer it. The \$75 million we are talking about, I gather from you this sum was made up in bits and pieces. There wasn't any lump sum taken from some place, was there? Because you said they would have to do the blue book over again and therefore I gathered it was a matter of bits and pieces.

**Mr. Cloutier:** I am afraid all I can say here is that the decisions have not been reached yet by cabinet.

**Senator Croll:** I gathered that.

**Senator O'Leary (Antigonish-Guysborough):** I think my question might be considered a

supplementary question to Senator Grosart's second question as to whether or not there were reductions in votes shown. You said they were about the same. In the recommendation to make the Estimates more meaningful—and I think that is the term used—I did not recall Senator Grosart as opposing it but Senator Isnor and myself had some reservations.

**Senator Grosart:** Mine was silent.

**Senator Croll:** That means consent.

**Senator O'Leary (Antigonish-Guysborough):** Well, coming to the matter of specifics, I will give a concrete example; suppose I want to find out, and call me a small-time politician if you will, an item that interests me and my area—the subsidized freight services on the coast of Nova Scotia. I think the item should be around \$40,000. Under what vote should I find that or under what vote should I look for it—marine transportation services?

**Mr. Cloutier:** Marine subsidies are either under transport or the Canadian Transportation Commission. I think the subsidy of the type you are referring to would be in the Canadian Transportation Commission.

**Senator O'Leary (Antigonish-Guysborough):** This is a steamship service—a cargo steamship service.

**Mr. Cloutier:** Well, I understand it would be in the Canadian Transport Commission. The details of this you will find at pages—starting at page 555 and the Eastern Local Services at 558.

**Senator O'Leary (Antigonish-Guysborough):** I see; it is \$35,000. That is the last place I thought of looking for it.

**Senator Desruisseaux:** How does foreign aid come under these?

**Mr. Cloutier:** In these Estimates?

**Senator Desruisseaux:** Yes.

**Mr. Cloutier:** The External Aid Office and the External Aid Program has an increase in statutory expenditures by \$11 million. This is increased over the previous year.

**Senator Grosart:** I have what is more or less a supplementary question to Senator Smith's. Perhaps it is only a suggestion. Would it be possible at some later date, Mr. Cloutier, for us to have an explanation of the status of crown corporations, the three main categories of authorized agencies and depart-



ments with particular reference to the control of expenditures to those crown corporations which do not come under the control of the Financial Administration Act? Perhaps I could put my question in this way: Is it so that the expenditures of these crown corporations are not such as—some of them anyway—do not appear in the Estimates but may appear in the Public Accounts?

**Mr. Cloutier:** Mr. Chairman, may I express my gratitude to Senator Grosart for asking me to answer this question at a later time.

**Senator Grosart:** I know it is a difficult one.

**Mr. Cloutier:** It is a long one and there are a number of exceptions, but we will go into it and we will provide you with the kind of answer you want.

**Senator Grosart:** I raise the question because it comes into this area where so many specific questions arise as to controls in the matters of loans, investments and advances. So many come into this particular category that I certainly am not clear on the status of the various kinds of crown corporations. Having said that, some of us, Senator Leonard and myself at any rate have to go to another meeting at 12.30, so if you will excuse us we will leave now. I hope you will understand that there is no disrespect intended. It is for a different reason from the last time.

**Senator Croll:** We missed you last time. I hope you realize that and will correct your mistakes.

**Senator Pouliot:** Mr. Cloutier, yesterday there was a discussion in the Senate about the books that members of both houses are allowed to get free from the printing bureau, and there are two kinds of books, those that are available on request and those that are banned from us except for payment. I wonder what is the reason for that distinction and who decides what books should be given free to the members of both Houses of Parliament and what books should be sold to them at the regular price. Can you answer that question?

**The Chairman:** Before the witness answers, Senator Pouliot, right at the beginning of the deliberations of the committee this morning I should tell you that Senator Leonard referred to the question you raised yesterday in the Senate and we have decided that we are going to have a steering committee meeting to look into this question of printing. Now, I would ask the witness to answer, but I want

you to know that the question you raised yesterday in the Senate was raised this morning by Senator Leonard and the steering committee of the Finance Committee will examine this in order to put it on our order of business for another meeting. I will now ask the witness to answer.

**Senator Pouliot:** I thank you very much, Mr. Chairman, but you know, with all deference, I do not trust steering committees to the limit on account of what happened on Bill 17, the Interpretation Act. There there was a steering committee which did not meet very often, and when we did meet the sittings were very short and finally nothing was changed in the bill which was one of the most important bills on the statute books.

**The Chairman:** I appreciate that. I am merely pointing out that your question was asked.

**Senator Pouliot:** Who will be on this steering committee? Do you think you will have members who will sit on the steering committee?

**The Chairman:** I did not mean to imply that the steering committee will deal with the problems you have raised, but the steering committee this morning received a few suggestions. We intend to examine these suggestions, including the one on printing that you raised in the Senate yesterday, in order that the main committee may deal with them in the future.

**Senator Pouliot:** But who will be on the steering committee?

**The Chairman:** Senator Leonard is a member. I will supply you with a list of their names.

**Senator Denis:** We know they are all good.

**The Chairman:** We also plan to invite some witnesses from the Printing Bureau.

**Senator Pouliot:** Who is it that the Printing Bureau takes its orders from?

**The Chairman:** We are going to invite the witnesses who would be in a position to supply us the information you requested.

**Senator Pouliot:** For me, Mr. Chairman, the Printing Bureau obeys orders.

**The Chairman:** Senator Pouliot, the members of the steering committee are Senators Flynn, Haig, Leonard, Molson and Smith









DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE Montreal	SUBMISSION DATE May 15, 1967	COMPUTER ACCOUNT NO.
NAME OF DEBTOR GREENE, Estate of Peter Joseph		
LAST KNOWN ADDRESS New York U.S.A.		

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1951	Apr. 24, 1957	Individual	\$ 27,291.64
1952	"	"	825,531.82
1953	"	"	89,067.01
1954	"	"	7,319.75
1955	"	"	3,452.74
TOTAL			\$952,662.96

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1958	Sept. 27, 60	Corporation	154,400.81
1961			80,277.40

COLLECTION HISTORY AND REASON FOR DELETION

Shortly after the assessments were issued, the taxpayer left the country and our collection letters went unanswered.

Mr. Greene died on January 1, 1959 and we were advised by the trustee that the total assets were less than \$100,000. but claims

against the estate excluding ours were well over \$1,000,000. The U.S. Government alone submitted a claim for \$1,000,000. for unpaid taxes.

No assets have been uncovered in Canada.

TOTAL  
233,678.21

COLLECTION HISTORY AND REASON FOR DELETION

any had left Canada by the time the assessment was issued. The trustee has been discharged, however, debtor is not likely to ever receive a discharge.

All assets have been disposed of and there is no hope of collection. Head Office advised that the account be submitted for Deceased no estate.

This Company was re-assessed on 28 Sept 1960 for \$1,030,835.05 as a result of a Special Investigation in regard to a stock fraud. No payments were received other than \$32,748.85 from bankruptcy proceedings. Writs of Extremis were issued on the same day as the re-assessment. The Company was declared bankrupt on 23 Nov. 1960. The principals of this Com-





## DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE Montreal	SUBMISSION DATE May, 15, 1967.	COMPUTER ACCOUNT NO. A.S. 2114001A
NAME OF DEBTOR BARRETT CORPORATION S.A.		
LAST KNOWN ADDRESS Republic of Venezuela		

## STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE OF CLASSIFICATION	AMOUNT FOR DELETION
1958	May 7, 1963	Corporation	\$508,444.20
		TOTAL	\$508,444.20

## COLLECTION HISTORY AND REASON FOR DELETION

This is a company incorporated in Venezuela on September 28, 1958. It acquired the shares of Empire Construction Co. Ltd., from Kay Investment Ltd. on December 11, 1958.

The only activity was to sell the only asset, land, in fifteen separate transactions. When the assessment was issued after a lengthy investigation, it was not possible to obtain an address at which to mail the notices.

This corporation was formed for the purpose of carrying out this operation. Its president, a Mr. Edward Roberts, who was also president of Argofina S.A. (see Argofina S.A. uncollectible report) has not been heard of since that time.

It is obvious this scheme was devised to deprive this Division of tax on land transactions. The original shareholders of Empire Construction Co. Ltd., sold their shares to Kay Investments Ltd. for \$1,091,000.00. The only asset was the land mentioned above which had been paid \$241,000.00. The sale of the shares was a capital profit, but had they sold the land the profit would have been subject to tax. Our Legal Branch advised it is not possible to assess the profit in the hands of the original resident shareholders of Empire Construction Co. Ltd. There are no known means of defeating the purpose of "Hit and Run" foreign corporations.

Cat. "F"

Corporation inoperative and without assets in Canada.

DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE Montreal	SUBMISSION DATE May, 15, 1967.	
NAME OF DEBTOR EMPIRE CONSTRUCTION CO.		COMPUTER ACCOUNT NO.
LAST KNOWN ADDRESS c/o E. Solomon, Notary, 407 McGill Street, Montreal.		

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1959	March 7, 1963	Corporation	\$508,405.33
		TOTAL	\$508,405.33

COLLECTION HISTORY AND REASON FOR DELETION

The two main shareholders of this Corporation were active in Real Estate dealings. This company was incorporated in 1951 and operated actively during 1952 and 1953.

In 1954, the company became dormant. Its only asset was a piece of land acquired in 1953 at a cost of \$241,000. In July of 1958, the shares were sold to Kay Investment Ltd for \$1,091,000.00. The shares were resold in December 1958 to Barrett Corporation S.A. for

the same price. Barrett Corp., S.A., a Venezuelan Co. (see uncollectible report of Barrett) sold the land within a short period of time and its principal, Edward Roberts, vanished. The Notice of Assessment was never delivered as there is no known address.

Empire Construction Co. was assessed on a deemed profit as it was not dealing at arms length with the purchaser, Barrett Corp. S.A.

The Deputy Minister requested that every assessment should be made on the basis of the accurate company which he controlled. Major Georges Lambert A demand for payment was made under Section 517 and a writ of Habeas Corpus requested. Mr Gordon

The last report was for the taxation year 1959

Cat. "F"  
Corporation inoperative and without assets.

Corporation inoperative and without assets.





DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE TORONTO	SUBMISSION DATE January 31, 1967	
NAME OF DEBTOR Ivan GORDON	COMPUTER ACCOUNT NO.	
LAST KNOWN ADDRESS 47 Norc-Ua Blvd., TEL-AVIV, Israel.		

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1954	Nov. 25/58	INDIVIDUAL	\$2,257.76
1955	Nov. 25/58	"	556.31
1956	July 6/60	"	10,699.58
1957	Oct. 13/59	"	894,246.65
1958	June 6/60	"	6,008.71
1959	Oct. 31/61	"	479.27
		TOTAL	\$914,248.28

COLLECTION HISTORY AND REASON FOR DELETION

Head Office established that a full scale stock promotion racket selling stock by high pressure methods was being conducted in Nova Scotia. Special Investigation revealed this taxpayer controlled about 12 mining companies and that there were many indications of fraud in his operations whereby funds were diverted to him.

The Deputy minister instructed that arbitrary assessments should be made on Gordon and the securities company which he controlled, Manor Securities Limited. A demand for payment was made under Section 51(2) and a Writ of Extent requested. Mr. Gordon

who had moved to Toronto was examined by the Sheriff, County of York and representatives of the Department but only information of meagre value was obtained.

Extensive collection action failed to produce payment or locate any assets in Canada but it was found large sums were transferred to Bahamian company controlled by the taxpayer.

R.C.M.P. tracing reported that he emigrated to Israel with his family in the spring of 1961.

The last return filed was for the taxation year 1959.



## DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE TORONTO	SUBMISSION DATE January 31, 1967	REVENUE CLASSIFICATION INDIVIDUAL	REVENUE YEAR 1967
NAME OF DEBTOR Frank KAFTEL		COMPUTER ACCOUNT NO.	
LAST KNOWN ADDRESS 300 Rue D'Aviation Francaise, c/o Mayflower Texas Demoroc, CASABLANCA, Morocco.			

## STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1949	May 9/56	Individual	\$192,507.00
1950	Dec. 28/56	"	218,390.57
1951	Feb. 21/58	"	1,711.79
1953	Feb. 21/58	"	236,763.41
1954	Feb. 21/58	"	1,534,945.90
1956	Dec. 19/60	"	11,570.60
TOTAL			\$2,195,889.27

## COLLECTION HISTORY AND REASON FOR DELETION

This taxpayer was engaged in the promotion and sale of speculative securities throughout Canada and the U.S.A. and was assessed on numerous stock transactions of considerable magnitude.

The taxpayer's assets were entirely of a speculative investment nature thus making the determination of his various holdings at any particular time difficult. A writ was obtained but efforts to locate assets in Canada have been to no avail.

The taxpayer left Canada in 1956 taking up residence in France and maintaining offices in Belgium and Morocco. It has also come to our attention that the taxpayer was involved in the promotion and sale of shares in Europe of Commodore Business Machines Ltd. which was connected with Atlantic Acceptance Corp. Ltd.

Since investigation has indicated no assets in Canada, further action is not possible.

DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE TORONTO	SUBMISSION DATE January 31, 1967	COMPUTER ACCOUNT NO.
NAME OF DEBTOR Minerva Mining Corporation Ltd.		
LAST KNOWN ADDRESS 185 Bay Street, TORONTO, Ontario.		

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1953	May 7/57	Corporations	\$ 78,659.57
1954	May 7/57	"	79,225.44
1955	June 23/60	"	171,726.59
1956	June 23/60	"	768,609.75
1957	June 23/60	"	54,109.21
TOTAL			\$1,152,330.56

COLLECTION HISTORY AND REASON FOR DELETION

This corporation was engaged in a large scale underwriting and distribution of speculative mining and oil securities.

Assessments Branch conducted an investigation of the company's underwriting activities and this resulted in re-assessments covering substantial additions to income and disallowance of unvouchered expenses.

Third Party Demands were issued on the company's receivables resulting in only a nominal recovery. A writ of Fi Fa was

obtained and the sheriff seized the company's bank account and furniture which produced a total of \$4,144.57. The possibility of taxing the income in the hands of the controlling shareholder, Alan M. Abernethy, was contemplated but he had made an assignment in bankruptcy in April 1958, and, according to our Legal Branch, could not be held liable.

The corporation was inactive and without further assets, therefore collection of the balance was not possible.



DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE TORONTO	SUBMISSION DATE January 31, 1967	COMPUTER ACCOUNT NO.
NAME OF DEBTOR Quality Development Enterprises Ltd.		
LAST KNOWN ADDRESS c/o Lowenstein, Pitcher, Hotchkiss, Aman & Parr, 25 Broad Street, NEW YORK 4 N.Y. U.S.A.		

STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1955	Dec 21/59	Corporations	\$ 1,101.29
1956	Dec 21/59	"	221,580.44
1957	Nov 16/62	"	68,321.49
1958	Sep 17/63	"	371.18
TOTAL			\$291,374.40

COLLECTION HISTORY AND REASON FOR DELETION

This company traded investments.

from the company's bank account.

Affairs of the company were handled by the officers in New York, U.S.A. On April 6, 1960, a letter from the solicitor to the company in New York stated that the company was unable to pay the assessments.

A search of shareholders' ledgers didn't reveal the company as a registered shareholder in Canada.

As no assets remain in Canada, further collection action is impossible. Delinquent action for 1962 T2 returns was cancelled, and company deemed inactive September 18, 1963.

Under Writ of Extent of July 6, 1960, \$8650.27 was received through the Sheriff





## DEPARTMENT OF NATIONAL REVENUE—TAXATION DIVISION

DISTRICT OFFICE Calgary, Alberta	SUBMISSION DATE January 31, 1967	
NAME OF DEBTOR Robert B. CURRAN		COMPUTER ACCOUNT NO.
LAST KNOWN ADDRESS 826 S. Magnolia St. Anaheim, California U S A		

## STATEMENT OF ACCOUNT

TAXATION YEAR	ASSESSMENT DATE	REVENUE CLASSIFICATION	AMOUNT FOR DELETION
1951	June 9/54	Individual	\$298,187.42
		TOTAL	\$298,187.42

## COLLECTION HISTORY AND REASON FOR DELETION

The taxpayer, a resident of the United States since early 1957, has not filed tax returns at this office for the years 1956 to 1964 inclusive. A re-assessment for the year 1951 was issued June 9, 1954. The debtor filed a Notice of Objection to the re-assessment and lodged security by way of 375 shares of Long Shot Oil Company Ltd. stock (an Oklahoma Company) through the Royal Bank of Canada, Main Branch, Calgary. These shares formed a 12½% interest in the Long Shot Oil Company Ltd. The appeal was carried to the Supreme Court where the re-assessment was affirmed. Two registered letters requesting payment were written to the taxpayer at his United States address, but were ignored by him. It was subsequently learned that the Long Shot Oil Company Ltd. was dissolved December 22, 1959, and the hypothecated stock was therefore of no value. Mr. Donald P. McLaws, Lawyer, of Calgary, called November 4, 1963, and advised he was representing a New York law firm who were trying to acquire the outstanding stock of Long Shot Oil Co. Ltd. for a bid price of \$30.00 per share. Mr. Ross Henderson, representing Curran called December 17, 1963, and advised

Mr. Curran was prepared to pay the Department \$11,250.00 for release of the Long Shot Oil stock to him. Careful consideration was given to the possibility that competitive bidding for the stock might produce even more for the Department but it was eventually determined that the \$30.00 bid was the maximum that could be obtained. Accordingly in the interests of making partial recovery the shares were released to the taxpayer upon receipt of \$11,250.00. Mr. Henderson on behalf of Mr. Curran went to Ottawa in February, 1964, and discussed the account with The Minister in an endeavour to have the account reduced. Mr. Curran was to provide the Department with a properly certified statement of his net worth at which time further consideration was to be given. On October 21, 1965, Mr. J. Ross Henderson informed the District Director that Mr. Curran has a cancerous condition of the ear and was admitted to hospital after losing considerable weight. He stated it is doubtful if Mr. Curran will be able to return to the business world and the net worth statement will not be forthcoming. The taxpayer has no Canadian assets.

Category "D"—Not residing in Canada.

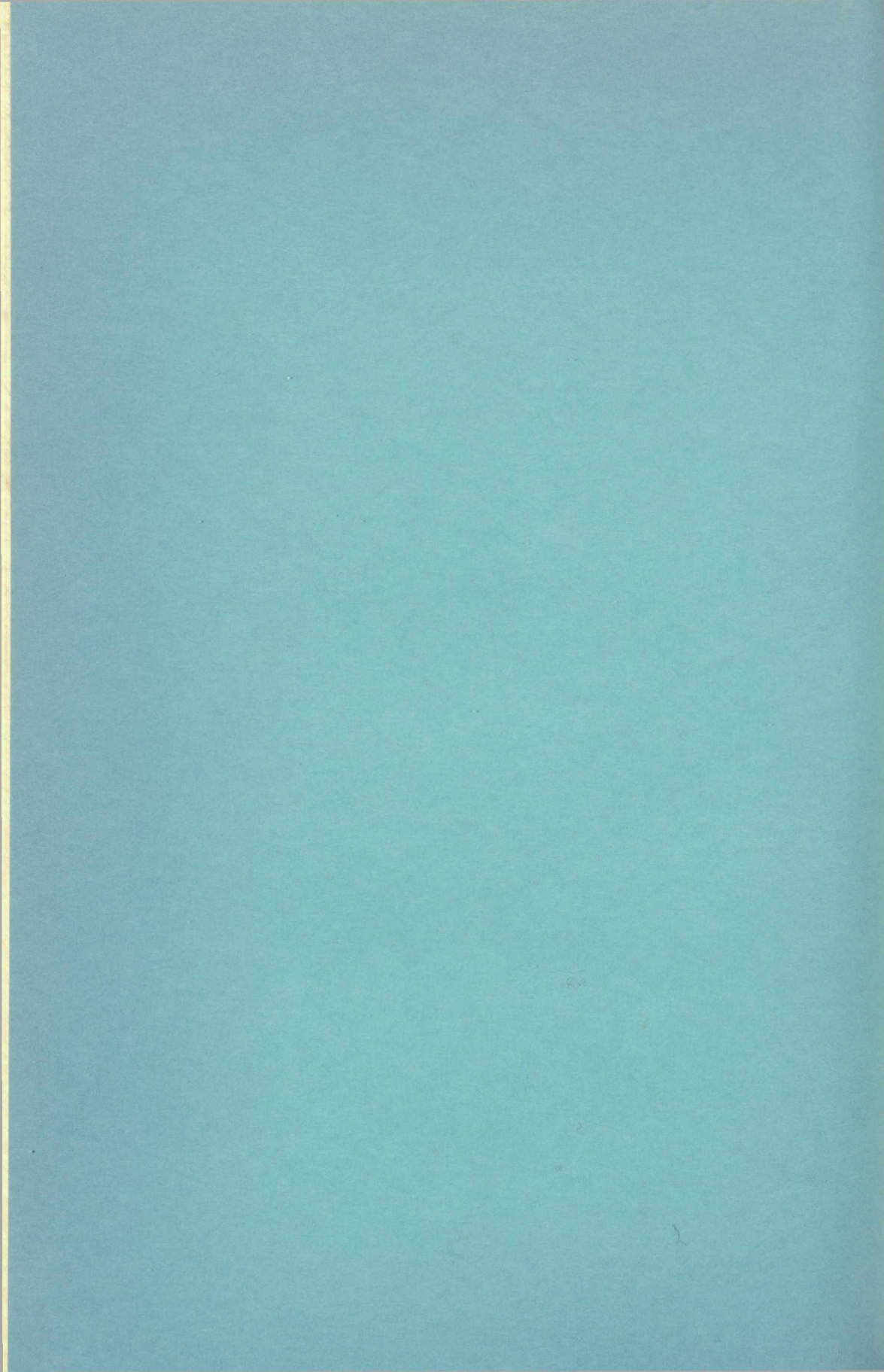












SENATE OF CANADA

Standing Committee on

Finance 1967/68

INDEX

	Page
AGRICULTURE, DEPARTMENT	
Expenditures 1966-67,1967-68	63-64
ANNIS, DR.C.A., DIRECTOR, TARIFF DIVISION, DEPARTMENT OF TRADE AND COMMERCE	
Kennedy Round, Canada's position	81
ART, MODERN	
Definition, problem	5
Explanation	9
Statements	
Fournier	2-5
Gouin	9
Poulist	13
Molson	14
BOGGS, DR. JEAN S., DIRECTOR, NATIONAL GALLERY OF CANADA	
National gallery, aims and programs	1
BURNS, T.M., DIRECTOR, OFFICE OF TRADE RELATIONS, DEPARTMENT OF TRADE AND COMMERCE	
Customs administration	84
CANADIAN ECONOMY	
American influence on economy	24
Base, primary exports	80-81
Economic planning	20
Economic forecasts, value and validity	25
GNP breakdown	23,26-27
Government expenditures, public finance and infra structure	18-19,21,28



STATE OF CALIFORNIA

Department of Public Health

San Francisco, California

1918

REPORT OF THE  
COMMISSIONER OF PUBLIC HEALTH

FOR THE YEAR  
ENDING DECEMBER 31, 1918

AND  
THE STATE OF CALIFORNIA

AND THE  
CITY OF SAN FRANCISCO

AND THE  
COUNTY OF SAN FRANCISCO

AND THE  
COUNTY OF SAN MATEO

AND THE  
COUNTY OF SAN GABRIEL

AND THE  
COUNTY OF SAN JOAQUIN

AND THE  
COUNTY OF SAN BENITO

AND THE  
COUNTY OF SAN DIEGO

AND THE  
COUNTY OF SAN JUAN

AND THE  
COUNTY OF SAN LUIS OBISPO

AND THE  
COUNTY OF SAN CARLOS

AND THE  
COUNTY OF SAN RAFAEL

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COUNTY OF SAN PABLO

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AND THE  
COUNTY OF SAN LUIS OBISPO

AND THE  
COUNTY OF SAN CARLOS

AND THE  
COUNTY OF SAN RAFAEL

AND THE  
COUNTY OF SAN PABLO

	Page
CANADIAN ECONOMY (Cont'd)	
Government, role	18
Growth rate	25,26
Kennedy Round tariff concessions, effect	375-376
Productivity	32-33
Taxation	33
CENTENNIAL COMMISSION	
Discontinued	392
CLOUTIER, MR. S., ASSISTANT SECRETARY, TREASURY BOARD	
Statement on Main Estimates for year ending March 1969	402-403
Summary of Supplementary Estimates "C"	389
COMMITTEE ON FINANCE	
Evidence, discussion on procedure	385-389
DAVIDSON, DR. GEORGE, SECRETARY, TREASURY BOARD	
Explanation of Bill C-147	53-54
Supplementary Estimates (B)	57
Supply Bill and Supplementary Estimates, comment	35-37
DEUTSCH, DR. JOHN J., ECONOMIC COUNCIL OF CANADA	
Economy, effect government expenditure, Canadian	18-34
Recommendations	20,21,29,31
Statements	
Average growth rate, government expenditures, Canada, other countries 1960-66	27,28
Economy, Canadian, regular government Committee of Senate and House should study	27,28
Five year economic planning recommended	20



CANADIAN ECONOMY (Cont'd)

18	Government, role
25, 26	Growth rate
37-38	Kennedy Round tariff
35-37	concessions, effect
32	Productivity
32	Taxation

CENTRAL COMMISSION  
Discontinued

392

CIOUTER, Mr. S., ASSISTANT  
SECRETARY, TREASURY BOARD

402-403	Statement on Main Estimates for year ending March 1969
389	Summary of Supplementary Estimates 1969

COMMITTEE ON FINANCE

385-389	Evidence, discussion on procedure
---------	--------------------------------------

DAVIDSON, Dr. GEORGE, SECRETARY,  
TREASURY BOARD

27-28	Explanation of Bill C-117
27	Supplementary Estimates (B)
27-28	Supply Bill and Supplementary Estimates, comment

BRITISH, DR. JOHN A., MEMBER  
COUNCIL OF CANADA

18-21	Boonoy, effect government expenditure, Canadian
20, 21, 22, 23	Recommendations
	Statements

Average growth rate, government  
expenditures, Canada, other  
countries 1960-66

27, 28

Economy, Canadian, regular  
Government Committee of Senate  
and House should study

27, 28

Five year economic planning  
recommended

20

DEUTSCH, DR. JOHN J., ECONOMIC  
COUNCIL OF CANADA

Statements (Cont'd)

Government Budget White Paper, Private Capital Investment Report, published each Autumn	19,20
Government deficit, important factor in stimulating economy in full employment period	19
Government expenditures, 32% GNP	18
Government surplus, drag on economy or restrain inflation	19

ECONOMIC COUNCIL OF CANADA

See Deutsch, Dr. John J.

EDUCATION

See also Manpower and Immigration Department, Vocational, Occupational Training	
Vocational, occupational, adult	65,68

ESTIMATES, MAIN, FOR YEAR ENDING  
MARCH 1968

Agriculture, department expenditure, 1966-67, 1967-68	63-64
Supply Bill Estimates, Year Ending March 1968	
Atlantic Provinces Power Development	42
Budget	37,38
Indian, Eskimo Loan Authority	49,50,51
Loans, investments	38,39
National accounting	38,39,40,41,42, 46,49
One dollar items	45,48,50,51,52
Reasonable accommodation, question	43-44,51
Royal Commission on Status of Women	44-45
Treasury Board Authority	46,47,48



DEUTSCH, DR. JOHN J., ECONOMIC  
COUNCIL OF CANADA

Statements (Cont'd)

	Government Budget White Paper,
	Private Capital Investment Report,
19, 20	published each Autumn
	Government deficit, important
19	factor in stabilizing economy in
	1971 employment period
18	Government expenditures,
	1966 GNP
19	Government surplus, drag on
	economy or restraint inflation

ECONOMIC COUNCIL OF CANADA

See Deutsch, Dr. John J.

EDUCATION

	See also Manpower and Immigration
	Department, Vocational, Occupational
	Training
65, 66	Vocational, occupational, adult

ESTIMATES, MAIN, FOR YEAR ENDING

MARCH 1968

	Agriculture, department
67-68	expenditure, 1966-67, 1967-68
	Supply Bill Estimates, Year
	Ending March 1968
	Atlantic Provinces Power
42	Development
37, 38	Budget
49, 50, 51	Indian, Eskimo, Loan Authority
38, 39	loans, investments
38, 39, 40, 41, 42,	National accounting
46, 49	
42, 48, 50, 51, 52	One dollar loans
	Responsible accommodation,
43-44, 51	question
	Royal Commission on Status of
44-45	Women
46, 47, 48	Treasury Board Authority

ESTIMATES, SUPPLEMENTARY "B", FOR YEAR  
ENDING MARCH 1968

Expenditures, 1967-68	57
Expenditure, comparison, 1966-67, 1967-68	58
Expenditures, extra budgetary	58
Expenditures, Manpower and Immigration Department	61-65
One dollar items	68-74, 76-77
Post Office Department	74-75, 76
Treasury Board	60-61, 71

ESTIMATES, SUPPLEMENTARY "C", FOR YEAR  
ENDING MARCH 1968

Agriculture, department	389
Budgetary account	389
Budgetary expenditures, increase	389
Finance	389
Industry	
Guaranteed Loans	394-395
Uncollectable debts	395-396
Loans, investments, advances, increase	389
National Defence	390
One dollar items, CPR Bridge construction	397-398
One dollar items	
Central Mortgage	398
Douglas Point Generating Station	398
Northern Affairs	398
Pharmaceutical Industry	
Development Assistance Program	399
Taxation "write-offs"	396-397, 401; appendix to No. 8, 411-422
Trade and Commerce	390
Transport, Department of	390

ESTIMATES, MAIN, FOR YEAR ENDING  
MARCH 1969

Expenditure, outline	402-403
Expenditures, increase, 1968-69 over 1967-68	403



ESTIMATES, SUPPLEMENTARY "B", FOR YEAR  
ENDING MARCH 1968

57	Expenditures, 1967-68
58	Expenditures, comparison, 1966-67,
58	1967-68
	Expenditures, extra-industry
	Expenditures, manpower and
61-65	Investment Department
66-74, 76-77	One dollar items
74-75, 76	Post Office Department
80-81, 71	Treasury Board

ESTIMATES, SUPPLEMENTARY "C", FOR YEAR  
ENDING MARCH 1968

389	Agriculture, Department
389	Budgetary account
389	Budgetary expenditures, increase
389	Finance
	Industry
391-392	Guaranteed loans
392-396	Collectible debts
	Loans, investments, advances,
389	increase
390	National Defense
	One dollar items, CFB Bridge
397-398	construction
	One dollar items
398	General Mortgage
	Boeing Joint Generating
398	Station
398	Northern Affairs
	Pharmaceutical Industry
399	Development Assistance Program
399-397, 401	Taxation "wills-often"
appendix to	
no. 8, 411-422	
399	Trade and Commerce
399	Transport, Department of

ESTIMATES, MAIN, FOR YEAR ENDING  
MARCH 1968

402-403	Expenditures, outline
403	Expenditures, increase, 1968-69
	over 1967-68

ESTIMATES, MAIN, FOR YEAR ENDING  
MARCH 1969 (Cont'd)

Expenditures, total estimated 1968-69	402
Financial Administration Act, Categories for expenditure Public Service	405-407,408
Employment "freeze"	403-405,407
EXTERNAL AID PROGRAM	59-60
EXPO '67	
Deficit	59
Expenditures, government	58-59
Financing	59
G N P	
Increase 1967-68 over 1966-67	58
INFLATION	
Comparison, 1966-67, 1967-68	58
INTERNATIONAL WHEAT AGREEMENT	371
KENNEDY ROUND NEGOTIATIONS	
Background and history	79
Basis for negotiations	80
Canada	
Adjustment Assistance Program	394-395
Tariff Concessions	Appendix "A" No. 5, 93-373 80,375
Position	
Fifty per cent "equal linear" tariff cuts	80
Canada's position	81,375-376
Countries agreeing	81
Non-tariff achievements	83
Tariff concessions	
Canada, favourable to	81-82,84
Canada, general effects	84-85,375,378
Canada, Import Benefit	86-87,90
Tariffs, customs, administration, U.S.	83-84,377-378



83-84, 371-378	U.S.	Tariffs, customs, administration,
81-82, 84	Canada, favourable to	Tariff concessions
81-82, 375, 378	Canada, general effects	Non-tariff achievements
81-82, 90	Canada, impact, benefits	Countries agreeing
		Canada's position
		Tariff cuts
		"Elly per cent" "pedal linear"
		Position
80, 375		Tariff Concessions
80, 375		Adjustment Assistance Program
		Canada
80		Tariffs for negotiations
79		Background and history
		KENNEDY ROUND NEGOTIATIONS
371		INTERNATIONAL WHEAT AGREEMENT
		Comparison, 1966-67, 1967-68
		INFLATION
58		Increase 1967-68 over 1966-67
		G. N. P.
59		Financing
58-59		Expenditures, government
59		Deficit
		EXPO '67
59-60		EXTERNAL AID PROGRAM
403-405, 407		Employment "tricks"
405-407, 408		Public Service
		Categories for expenditures
		Financial Administration Act,
402		Expenditures, local estimated
		1968-69
		MARCH 1969 (Cont'd)
		ESTIMATES, MAIN, FOR YEAR ENDING

KENNEDY ROUND NEGOTIATIONS (Cont'd)	
Tariff Cuts	
Canada, U.S., percentage reduction	82
Terms of reference	81
Tariffs	
Manufactured goods, Canada, higher	82
Valuation	83
Wheat Agreement	
See International Wheat Agreement	
KENNEDY ROUND NEGOTIATIONS AGREEMENT	
Tariff changes	89
U.S. modification	88,89
MANPOWER AND IMMIGRATION, DEPARTMENT	
Winter works program	
Financial arrangement	61-62
Legislative authority, absence	62,66
Total cost	62,63,64-65
Vocational, Occupational Training Arrangement with provinces	65-66,68
Cost	66,68
Vocational Training Act	389
MUNICIPAL DEVELOPMENT AND LOAN BOARD ACCOUNT	
Closed	389
MUNICIPAL WATER WORKS INCENTIVE PROGRAM	
	61-62,64-65,66
NATIONAL GALLERY OF CANADA	
Budget	8,14
Collection, discussion of	7,15,16
Expenses	1,10,11,12
Forgeries	14,15
Paintings, cost	7,12,14,15
NATIONAL HOUSING ACT	
Supplementary estimate (one dollar item)	73-74



KENNEDY ROUND NEGOTIATIONS (Cont'd)

Tariff cuts  
Canada, U.S., percentage  
82  
reduction  
81  
Terms of reference  
Tariffs  
82  
Manufactured goods, Canada,  
83  
lighter  
Valuation  
Wheat Agreement  
See International Wheat  
Agreement

KENNEDY ROUND NEGOTIATIONS AGREEMENT

Tariff changes  
82  
U.S. modification  
88, 89

MANPOWER AND IMMIGRATION DEPARTMENT

Winter works program  
61-62  
Financial arrangements  
62, 66  
Executive authority, absence  
62, 63, 64-65  
Total cost  
Occupational, Occupational Training  
62-66, 68  
Arrangements with provinces  
66, 68  
Cost  
389  
Vocational Training Act

MUNICIPAL DEPARTMENT AND LOAN

BOARD ACCOUNT  
Closed  
389

MUNICIPAL WATER WORKS INCENTIVE

PROGRAM  
61-62, 64-65, 66

NATIONAL GALLERY OF CANADA

Budget  
6, 11  
Collection, discussion of  
7, 12, 16  
Expenses  
1, 10, 11, 12  
Furniture  
12, 15  
Printings, cost  
7, 12, 11, 15

NATIONAL HOUSING ACT

Supplementary estimates (one dollar  
item)  
73-74

	Page
NEW DELHI CONFERENCE	
Achievements	381-382
NORTHERN MINERAL ASSISTANCE GRANTS	
Supplementary estimate	68-69
POST OFFICE DEPARTMENT	
Supplementary expenditures	74,76
PUBLIC SERVICE COMMISSION	
Employment "freeze"	403-405,407
Offices, rental, Montreal	75-76
PUBLIC WORKS DEPARTMENT	
Offices, rented, Montreal	75-76
SCHWARZMANN, ASSISTANT DEPUTY MINISTER (TRADE POLICY), DEPARTMENT OF TRADE AND COMMERCE	
Statement on Kennedy Round Negotiations	79-80
STEERING COMMITTEE	
Unchanged	17
SUGAR PRODUCTION--CANADA	
See also Trade World Market-- Sugar Costs	380
TARIFFS--CANADA	
See also Kennedy Round Negotiations --Tariff concessions Customs revenues Machinery	91-92 87
TRADE--CANADA	
Bilateral, multilateral	382
Export potential	378
Exports 1967, projected 1968	377,378
Preferences--reciprocal	382
Wheat sales	376-377,379, 380



381-382	NEW DELHI CONFERENCE Achievements
64-69	NORTHERN MINERAL ASSISTANCE GRANTS Supplementary estimates
74-76	POST OFFICE DEPARTMENT Supplementary expenditures
103-105, 107 75-76	PUBLIC SERVICE COMMISSION Employment "Listings" Office, Montreal, Montreal
75-76	PUBLIC WORKS DEPARTMENT Office, Montreal, Montreal
	SCHWARZMAN, ASSISTANT DEPUTY MINISTER (TRADE POLICY), DEPARTMENT OF TRADE AND COMMERCE Statement on Kennedy Round Negotiations
79-80	
11	STEERING COMMITTEE Reorganized
	SUGAR PRODUCTION—CANADA See also Trade World Market— Sugar Costs
380	
	TARIFFS—CANADA See also Kennedy Round Negotiations —Tariff concessions Customs revenues Machinery
91-92 67	
382 378 377, 378 382 378-377, 379 380	TRADE—CANADA Bilateral, multilateral Export potential Exports 1967, projected 1968 Preferences—reciprocal Wheat sales

	Page
TRADE--CANADA--UNITED STATES	
Automobile agreement	91
Prohibitive tariffs	85-86
Quota restrictions	88,89
Wheat sales	379
TRADE--CANADA--WORLD MARKET	
Anti dumping code	381
Inventory build-up	379
Sugar production, price	380
Wheat	379-380
TRADE AND COMMERCE	
Wheat Sales support	390
TRANSPORT, DEPARTMENT OF	
C N R	
Auditors, private	391,392
Deficit, estimated, 1968	390
Deficit, itemized	392
Ferries	391,392,394
Parliament, communication with	390-391
Passenger service	390
TREASURY BOARD	
Authority	46,47,48
Expenditures	60-61
Statute Law (Superannuation)	
Amendment Act	72-73
WHEAT SALES--CANADA	
See also Trade--Canada--Wheat	
Preferential agreements	377
World market situation	377
WINTERS, HON. ROBERT H., MINISTER OF	
TRADE AND COMMERCE	
Statement on possible results of	
Kennedy Round	375-378



TRADE--CANADA--UNITED STATES

Wheat sales 379  
 Quota restrictions 88, 89  
 Prohibitive tariffs 85-86  
 Automobile agreement 91

TRADE--CANADA--WORLD MARKET

Wheat 379-380  
 Sugar production, price 380  
 Inventory build-up 379  
 Anti dumping code 381

TRADE AND COMMERCE

Wheat sales support 390

TRANSPORT, DEPARTMENT OF

C R

Passenger service 390  
 Parliament, communication with 390-391  
 Fares 391, 392, 394  
 Deficit, freighted 392  
 Deficit, estimated, 1968 390  
 Auditors, private 391, 392

TREASURY BOARD

Amendment Act 75-76  
 Statute law (Superannuation) 60-61  
 Expenditures 60-61  
 Authority 60, 61, 68

WHEAT SALES--CANADA

World market situation 377  
 International agreements 377  
 See also Trade--Canada--Wheat

MINISTER, HON. ROBERT H., MINISTER OF

TRADE AND COMMERCE

Statement on positive results of Kennedy Round 375-376





